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PART 40—SCHEDULED INTERSTATE AIR CARRIER CERTIFICATION AND OPERATION RULES.

MISCELLANEOUS INTERPRETATIONS AND POLICIES

On October 17, 1953, the Administrator of Civil Aeronautics published in 18 F. R. 6610-6622, interpretations to define and policies to implement various sections of new Part 40. The purpose of this supplement is to revise or delete some of these interpretations and policies in response to comments received from interested persons.

1. Section 40.18-4 as published on October 17, 1953 in 18 F. R. 6610, is revised to read:

§ 40.18-4 *Policies, procedures and limitations governing issuance and amendment of Operations Specifications, Aircraft Maintenance (CAA policies which apply to § 40.18 (a))*—(a) *General*. The Administrator will issue and amend Operations Specifications, Aircraft Maintenance, in accordance with the following policies, procedures, and limitations. The criteria set forth in this section will be followed by the Administrator in fixing time limitations for the performance of overhaul, inspections and checks, or in permitting or requiring revisions thereto. The basic principle followed by the Administrator will be that the inspections, checks, maintenance or overhaul be performed at times well within the expected or proven service life of each component of the aircraft. In determining what the expected or proven service life of an aircraft or any of its components might be, the Administrator will consider the following factors: (1) Geographical area or areas of operation; (2) engine operating powers, procedures, etc.; (3) number of landings, long haul versus short haul, etc.; (4) maintenance organization and inspection procedures; (5) other operators' service experience records; (6) manufacturers' recommendations; (7) service history, particularly of known or evident trends toward malfunctioning. Special reliance will be

placed on service experience, including the information obtained from such tests, inspections, or measurements as have been performed in accumulating such service experience.

(b) *Procedure for establishing new or revised time limitations*. (1) Time limitations may be established in terms of hours of operation, multiples of engine overhaul periods or multiples of inspection periods. Time limitations for components on which deterioration is not necessarily a function of operating hours, such as electronic units, pitot tubes and emergency flotation equipment may be established in terms of calendar months. Certain items may be maintained on an on condition overhaul basis.

(2) On condition overhaul is applicable to components on which a determination of airworthiness may be made by visual inspection, measurements, tests, or other means without a teardown inspection or overhaul.

(c) *Airframe initial time limitations*. The initial time limitations for overhauls, inspections, or checks of airframes may be established on a recurrent fixed time basis or by adoption of a structural inspection specification covering procedures such as pattern inspections, block overhauls, or progressive inspections. Regardless of the basis upon which the time limitations are established, the same basic standards will be applicable. The maintenance program must specify checks, inspections and overhauls to be performed and times at which they will be performed.

(d) *Appliances; initial time limitations*. Initial time limitations for inspections, bench checks, major inspections or overhaul, as applicable, to the appliance involved, should not be greater than those limitations applicable to the same or similar appliances used in existing aircraft operated by the air carrier. When the usage or installation of such appliances differ to a substantial extent from the previous usage or installation, the time limitations shall be adjusted to reflect the extent of such difference. When new usage or installation is involved, conservative time limitations should be established until service experience shows that more liberal time limits can be used. In those cases where an appliance has a subcomponent

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which is subject to wear with time in service, the air carrier will establish maintenance procedures for periodic inspection of such subcomponent to insure its continued airworthiness.

(e) *Powerplants; initial time limitations.* (1) The initial overhaul time limitations for any engine which has never been used in air carrier service will tentatively be established at 1000 hours. However, the Operations Specifications will require sample overhaul of a representative number of engines, but not less than three, to be accomplished at each increment of 100 hours, beginning at 800 hours, unless such new model engine incorporates certain unconventional features not previously employed in air carrier operations, in which case, the initial overhaul period will be established by the Administrator. Satisfactory teardown inspection will be necessary before increasing the fleet overhaul period to the next higher increment. This sample overhaul procedure and evaluation of service experience will provide the operator with necessary information to substantiate the basic 1,000 hour overhaul.

(2) The initial time limitations for overhaul of an engine model which has received substantial air carrier service experience, but not by the applicant, will tentatively be established at 1,000 hours. An engine model will not be considered as having substantial air carrier service experience unless it has been satisfactorily operated by another carrier on an approved 1,000 hour or higher overhaul period. However, the Operations Specifications will require that the basic 1,000 hour overhaul period be substantiated on the same basis as outlined for a new engine except that sample overhauls of a representative number of engines will be accomplished in increments of 100 hour periods beginning at 900 hours. The initial time limitations for overhaul of accessories which are a part of the power package, including propellers, will be established at the overhaul period fixed for the engine itself, unless service experience permits or requires higher or lower overhaul periods.

(f) *Revision of time limitations; general.* The inspection and overhaul time limitations applicable to airframes, powerplants, propellers, and appliances will be revised on the basis of service experience. Increases in such time limitations may be made when the record of service experience for the previous 90 days indicates that such increase will not adversely affect the continuous condition of airworthiness. When the service records indicate that any component or subcomponent consistently requires repair, adjustment or other maintenance because of damage, wear, or deterioration, within the current time limitations, the air carrier will be responsible for initiating corrective action.

(1) *Airframe; revision of time limitations.* The increases of time limitations for overhaul (or major inspection in case of pattern system, etc.) of airframes will be based on evaluation of all pertinent service records and examination of at least one aircraft, of the model involved, that has been overhauled at the currently approved time limitations. When a pattern or block overhaul type of mainte-

nance system is used, it will be permissible to reschedule individual items in another block or pattern, if performance and condition of the specific item warrants such an increase.

(2) *Powerplants and associated mechanical appliances; revision of time limitations.* Increases in engine overhaul periods will not be approved in increments greater than 100 hours. Increases in time limitations above the 1,000 hour basic engine overhaul period will be considered on the basis of satisfactory operation of a specified number of engines of the same type or model. The operator may make application for a supplemental amendment to the currently approved time limitation indicating the desired time limitations and the particular engines to be operated to the new time limitations. This supplemental amendment will be applicable to 3 to 5 engines as deemed necessary by the assigned CAA agent, in order to determine the ability of the engine to operate satisfactorily at the desired new overhaul period. The engines so operated will be identified on the supplemental amendment by make, model, and serial number. Upon satisfactory completion of the 100 hours additional operation, and satisfactory disassembly and inspection of the engines and related components listed on the supplemental specification, the air carrier may then submit an application for an amendment in the routine manner, requesting a 100 hour extension of the overhaul period on the entire fleet of engines and related components of the same type and model in their operation. Experience may justify a request for the operation of some engine accessories to double or triple the approved engine overhaul limitations. Such amendments may be submitted if previous satisfactory service and overhaul experience, including the service to be performed at each engine change period, can justify the increase as not adversely affecting the continuous condition of airworthiness of the component involved. Installation of engines being operated in accordance with provisions of a supplemental specification will be limited to one per twin engine aircraft and two per four engine aircraft installed on opposite sides.

(3) *Appliances, general; revision of time limitations.* Increases in established times for inspections, bench tests or overhaul periods will be based on consideration of the following factors: (1) geographical area or areas of operation; (2) number of landings, long haul versus short haul; (3) maintenance organization and inspection procedures; (4) manufacturers' recommendations; (5) service history, particularly of known or evident trends toward malfunctioning. When electrical/electronic appliances are overhauled on an on condition basis, special consideration will be given to the continued airworthiness of mechanical components of such equipment.

(4) *Emergency equipment.* The inspection periods for first aid kits, flotation equipment and other emergency equipment will assure the continued serviceability and immediate readiness

of such equipment for its intended emergency purposes. Major inspection periods will be established for the purpose of determining that all components of the emergency equipment are complete and airworthy and may be expected to remain in this condition until the next major inspection or actual use under emergency conditions. Routine inspection periods will be established to assure that such equipment (or any component thereof) is installed or stored properly, has not been tampered with, damaged, or had articles removed since the last inspection. All inspection periods will be adjusted in accordance with service experience and pertinent operating conditions.

2. Sections 40.19-1 and 40.19-2 as published on October 17, 1953 in 18 F. R. 6612-6613 are revised to read:

§ 40.19-1 *Content of Operations Specifications, Aircraft Maintenance (CAA policies which apply to § 40.19 (e)).* The Administrator will issue Operations Specifications, Aircraft Maintenance, which have the following minimum contents:

(a) (1) The Operations Specifications, Aircraft Maintenance, will contain a listing of the components of airframes, engines, propellers, and appliances, and the time limitations for checks, inspections and overhauls applicable to each listed component. The list of components will be complete and inclusive except that sub-components which are subject to check, inspection and overhaul at the same time limitations as the components to which they are related may be omitted from the listing (e. g. that form commonly called the "short form"). When this is done, the Operations Specifications will bear a statement to the effect that parts and sub-components not listed will be checked, inspected, and overhauled at the same time limitations specified for the component or assembly to which such components are related.

(2) When coded identifications or titles, such as "operation #1, #2, #3, etc." or "line check, intermediate check, base inspection, etc.," are used in connection with specified time limitations in the Operations Specifications, a brief description of such terms will be included which identifies the operation concerned.

(b) If the carrier proposes Operations Specifications, Aircraft Maintenance, which would permit for all or any part of an aircraft a block overhaul system, a sampling inspection and overhaul system, or any other maintenance system which either (1) does not prescribe a fixed period for overhaul, inspection or check of each component of an aircraft, or (2) includes alternative standards and procedures under which the air carrier may be given authority to establish and adjust such time limitations, the air carrier will fully define and describe the manner in which such a special maintenance program will be performed.

(c) Operations Specifications identified as Operations Specifications, Aircraft Maintenance—General, will contain conditions uniformly applicable to

all Operations Specifications, Aircraft Maintenance.

§ 40.19-2 *Content of Operations Specifications, Aircraft Weight and Balance Control (CAA policies which apply to § 40.19 (f)).* The Operations Specifications, Aircraft Weight and Balance Control, as submitted by an air carrier, will contain an accurate description of the procedures used to maintain control of weight and balance of all aircraft operated under the terms of the operating certificate which will insure that the aircraft, under all operating conditions, is loaded within the gross weight and center of gravity limitations. This description should include procedures used for determining weight of passengers, weight of baggage, periodic aircraft weighing, type of loading devices, and identification of aircraft concerned.

3. Section 40.23-1 as published on October 17, 1953 in 18 F. R. 6615 is deleted.

4. Section 40.37-1 as published on October 17, 1953 in 18 F. R. 6616 is revised to read:

§ 40.37-1 *Servicing and maintenance facilities (CAA policies which apply to § 40.37) — (a) General.* In demonstrating or proving to the satisfaction of the Administrator that housing, facilities, equipment and materials are adequate, the air carrier may be guided by Civil Aeronautics Manual 52, § 52.21 and §§ 52.30 through 52.36 of this chapter, insofar as applicable to his aircraft and maintenance system.

(b) *Facilities provided by other agencies.* The air carrier will show that agencies contracting to perform major overhauls, repairs, or alterations for the air carrier are those specified under § 18.10 (b), (d), or (e) of this chapter.

5. Section 40.51-1 is adopted to read:

§ 40.51-1 *Contents of manual; methods and procedures for maintaining weight and balance control (CAA policies which apply to § 40.51 (a) (19)) — (a) General.* (1) The air carrier may utilize any loading schedule, procedure, or means by which the air carrier can show that the aircraft is properly loaded and will not exceed authorized weight and balance limitations during operation.

(2) By whatever method used, the air carrier should account for all probable loading conditions which may be experienced in service and show that the loading schedule will provide satisfactory loading. Loading schedules may be applied to individual aircraft or to a complete fleet. Unless otherwise authorized, a copy of pertinent loading data should be carried in each aircraft. When an air carrier operates several types or models of aircraft, the loading schedule, which may be index type, tabular type or a mechanical computer, will be identified with the type or model of aircraft for which it is designed.

(b) *Loading provisions.* All seats, compartments, and other loading stations will be properly marked, and the identification used will correspond with the instructions established for computing the weight and balance of the aircraft. When the loading schedule provides blocking off of seats or compart-

ments in order to remain within the center of gravity limits, effective means will be provided to assure that such seats or compartments are not occupied during operations specified. Cargo compartments will be placarded showing the maximum weight of each compartment, and such placards will be readily legible to the loading personnel. Instructions will be prepared for crew members, cargo handlers, and other personnel concerned, giving complete information necessary regarding distribution of passengers, cargo, fuel and other items. Information relative to maximum capacities and other pertinent limitations affecting the weight or balance of the aircraft will be included in these instructions. When it is possible by adverse distribution of passengers to exceed the approved CG limits of the aircraft, special instructions will be issued to the appropriate crew members so that the load distribution can be maintained within the approved limitations.

(c) *Terms, descriptions, and general standards.* For the purpose of weight and balance control, the following terms, descriptions, and general standards will apply. Deviations from these standards by the individual operator due to the nature of his operation will be acceptable.

(1) *Empty weight.* The empty weight of an aircraft is considered to be the maximum gross weight less the following:

(i) All fuel and oil, excepting system fuel and oil.³

(ii) Drainable anti-detonant injector and de-icing fluids.

(iii) Crew and baggage.

(iv) Passengers and cargo (revenue and non-revenue)

(v) Removable passenger service equipment, food, magazines, etc., including drainable washing and drinking water.

(vi) Emergency equipment (over-water, tropical, frigid)

(vii) Other equipment, variable for flights.

(viii) Flight spares (spark plugs, wheel, cylinder, etc.)

(2) *Operating weight.* The basic operating weight established by the air carrier for a particular model aircraft will include the following standard items of the operator in addition to the empty weight of the aircraft unless otherwise specified:

(i) Normal oil quantity.

(ii) Anti-detonant injector and de-icing (winter) fluids.

(iii) Crew and baggage.

(iv) Passenger service equipment, including washing and drinking water, magazines, etc.

(v) Emergency equipment, if required, for all flights.

(vi) All other items of equipment considered standard by the air carrier concerned.

(3) *Aircraft, zero fuel weight.* The zero fuel weight of an aircraft is the

maximum weight authorized for such aircraft without fuel. The weight of fuel carried in the fuselage, or equivalent locations, will be deducted from such maximum. When zero fuel weight limitations or equivalent restrictions are specified, proper provision for loading will be made by the operator so that such structural limitations are not exceeded.

(d) *Aircraft weights.* Aircraft weight and balance control, will contain provisions for determining aircraft weights in accordance with the following procedures:

(1) *Individual aircraft weights and changes.* The loading schedule may utilize the individual weight of the aircraft in computing pertinent gross weight and balance. The individual weight and balance of each aircraft will be re-established at the specified reweighing periods. It also will be re-established whenever the accumulated changes to the operating weight exceed plus or minus one-half of one percent of the maximum landing weight or the cumulative change in CG position exceeds one-half of one percent of the MAC.

(2) *Fleet weights, establishment and changes.* For a fleet or group of aircraft, of the same model and configuration, an average operating fleet weight may be utilized if the operating weights and CG positions are within the limits established in this paragraph. The fleet weight will be calculated on the following basis:

(i) An operator's empty fleet weight will be determined by weighing aircraft according to the following table:

For fleet of 1 to 3, weigh all aircraft.
For fleet of 4 to 9, weigh 3 aircraft plus at least 50 percent of the number over 3.
For fleet of over 9, weigh 6 aircraft plus at least 10 percent of the number over 9.

(ii) In choosing the aircraft to be weighed, the aircraft in the fleet having the highest time since last weighing should be selected. When the average empty weight and CG position has been determined for aircraft weighed and the basic operating fleet weight (winter and summer, if applicable) established, necessary data should be computed for aircraft not weighed but which are considered eligible under such fleet weight. If the basic operating weight of any aircraft weighed or the calculated basic operating weight of any of the remaining aircraft in the fleet varies by an amount more than plus or minus one-half of one percent of the maximum landing weight from the established basic operating fleet weight or the CG position varies more than plus or minus one-half of one percent of the MAC from the fleet weight CG, that airplane will be omitted from that group and operated on its actual or calculated operating weight and CG position. If it falls within the limits of another fleet or group, it may then become part of that operating fleet weight. In cases where the aircraft is within the operating fleet weight tolerance but the CG position varies in excess of the tolerance allowed, the aircraft may still

be utilized under the applicable operating fleet weight but with an individual CG position.

(iii) *Re-establishment of the operator's empty fleet weight or the operating fleet weight and corresponding CG positions* may be accomplished between weighing periods by calculation based on the current empty weight of the aircraft previously weighed for fleet weight purposes. Weighing for re-establishment of all fleet weights will be conducted on a two-year basis unless shorter periods are desired by the air carrier.

(3) *Establishing initial weight before use in air carrier service.* Prior to being used in air carrier service, each aircraft will be weighed and the empty weight and center of gravity location established. New production transport category aircraft delivered to air carriers normally are weighed at the factory and are eligible for air carrier operations without reweighing if the weight and balance records have been adjusted for alterations or modifications to the aircraft. Aircraft transferred from one air carrier to another need not be weighed prior to utilization by the latter unless more than twenty-four calendar months have elapsed since last weighing.

(4) *Periodic weighing; aircraft using individual weights.* Aircraft operated under a loading schedule utilizing individual aircraft weights in computing the gross weight will be weighed at intervals of twenty-four calendar months. An air carrier may, however, apply for extension of this weighing period for a particular model aircraft, when pertinent records and actual routine weighing during the preceding twenty-four months of air carrier operation show that weight and balance records maintained are sufficiently accurate to indicate aircraft weights within the established limitations. Such application should be limited to increases in increments of twelve months and must be substantiated in each instance with at least two aircraft weighings. Increases may not be granted which exceed a time which is equivalent to the aircraft overhaul period.

(5) *Periodic weighing, aircraft using "fleet weights."* Aircraft operating under fleet weights should be weighed in accordance with procedures outlined for the establishment of fleet weights. Since each fleet weight will be re-established every two years and a specified number of aircraft weighed at such periods, no additional weighing is considered necessary. A rotation program should, however, be incorporated so all aircraft in the fleet will be reweighed periodically.

(6) *Weighing procedure.* Normal precautions, consistent with good practices in the weighing procedure, such as checking for completeness of the aircraft and equipment, determining that fluids are properly accounted for, and that weighing is accomplished in an enclosed building preventing the effect of the wind, will prevail. Any acceptable scales may be used for weighings provided they are properly calibrated, zeroed and used in accordance with the manufacturer's instructions. Each scale

³ System fuel and oil is that amount required to fill both systems and the tanks, where applicable, up to the tank outlets to the engines. When oil is used for propeller feathering, such oil is included as system oil.

should have been calibrated, either by the manufacturer or by a civil Department of Weights and Measures, within one year prior to weighing any aircraft for this purpose unless the air carrier can show evidence which warrants a longer period between calibrations.

(e) *Passenger weights.* The air carrier may elect to use either the actual passenger weight or the average passenger weight to compute passenger loads over any route, except in those cases where non-standard weight passenger groups are carried. Both methods may be used interchangeably provided only one method is used for any flight from originating to terminating point of the particular trip or flight involved, except as indicated in subparagraph (3) of this paragraph. Provisions will be incorporated in the load manifest to clearly indicate to personnel concerned whether actual or average passenger weights are to be used in computing the passenger load.

(1) *Actual passenger weight.* Actual passenger weight may be determined by scale weighing of each passenger prior to boarding the aircraft, and such weight is to include minor articles carried on board by the passenger. If such articles are not weighed, the estimated weight is to be accounted for. The actual passenger weight may also be determined by asking each passenger his weight and adding thereto a pre-determined constant to provide for hand-carried articles and also to cover possible seasonal affect upon passenger weight due to variance in clothing weight. This constant may be approved for an air carrier on the basis of a detailed study conducted by the operator over the particular routes involved and during the extreme seasons when applicable.

(2) *Average passenger weight.* (i) An average weight of 160 pounds (summer) may be used for each adult passenger during the calendar period of May 1 through October 31.

(ii) An average weight of 165 pounds (winter) may be used for each adult passenger during the calendar period through April 30.

(iii) An average weight of 80 pounds may be used for children between the ages of 3 and 12. Children above 12 years of age are classified as adults for the purpose of weight and balance computations. Children less than 3 years old are considered "babes in arms."

(iv) The average passenger weight includes minor items normally carried by a passenger.

(3) *Non-standard weight groups of passengers.* The average passenger weight method will not be used in the case of flights carrying large groups of passengers whose average weight obviously does not conform with the normal standard weight. Actual weights will be used when a passenger load consists to a large extent of athletic squads or other special group which is smaller or larger than the U. S. average. Where such a group forms only a part of the total passenger load, the actual weights may be used for such group and average weights used for the balance of the pas-

senger load. In such instances, a notation will be made on the load manifest, indicating number of persons in the special group and identifying the group (i. e., football squad, Blank Nationals, etc.)

(f) *Crew weight.* The actual weight of crew members may be used or the following approved average weights may be utilized:

(1) Male cabin attendants 150 pounds; female cabin attendants 130 pounds.

(2) All other crew members 170 pounds.

(g) *Passenger and crew baggage.* Procedures should be provided so that all baggage, including that carried on board by the passengers, is properly accounted for. If desired by the air carrier, a standard crew baggage weight may be used.

(h) *Center of gravity travel during flight.* The air carrier will show that the procedures fully account for the extreme variations in center of gravity travel during flight caused by all or any combination of the following variables:

(1) The movement of a number of passengers and cabin attendants equal to the placarded capacity of the lounges or lavatories from their normal position in the aircraft cabin to such lounge or lavatory. If the capacity of such compartment is one, the movement of either one passenger or one cabin attendant, whichever most adversely affects the CG condition will be considered. When the capacity of the lavatory or lounge is two or more, the movement of that number of passengers or cabin attendants from positions evenly distributed throughout the aircraft may be used. Where seats are blocked off, the movement of passengers and/or cabin attendants evenly distributed throughout only the actual loaded section of the aircraft will be used. The extreme movements of the cabin attendants carrying out their assigned duties within the cabin will be considered. The various conditions will be combined in such a manner that the most adverse effect on the CG will be obtained and so accounted for in the development of the loading schedule to assure the aircraft being loaded within the approved limits at all times during flight.

(2) *Landing gear retraction.* Possible change in CG position due to landing gear retraction will be investigated and results accounted for.

(3) *Fuel.* The effect on the CG travel of the aircraft during flight due to fuel used down to the required reserve fuel or to an acceptable minimum reserve fuel established by the air carrier will be accounted for.

(i) *Fuel allowance for taxiing and run-up.* The weight and balance system may provide for a weight allowance of 3 pounds of fuel for each 100 horsepower (maximum continuous) available to the aircraft from all of its engines to be added to the maximum gross weight of the aircraft to compensate for fuel used during run-up and taxiing.

(j) *Records.* The weight and balance system will include methods by which the air carrier will maintain a complete, cur-

rent and continuous record of the weight and center of gravity of each aircraft. Such records should reflect all alterations and changes affecting either the weight or balance of the aircraft, and will include a complete and current equipment list. When fleet weights are used, pertinent computations should also be available in individual aircraft files.

(k) *Weight of fluids.* The weight of all fluids used in aircraft may be established on the basis of actual weight, a standard volume conversion or a volume conversion utilizing appropriate temperature correction factors to accurately determine the weight by computation of the quantity of fluid on board.

6. Section 40.51-2 as published on October 17, 1953 in 18 F. R. 6616 is deleted.

7. Section 40.63-1 as published on October 17, 1953 in 18 F. R. 6617 is revised to read:

§ 40.63-1 *Materially altered in design (CAA interpretations which apply to § 40.63 (b) (1)).* A type of airplane will be considered to be materially altered in design when the alterations include, but are not necessarily limited to:

(a) Installation of powerplants other than the powerplants of a type similar to those with which the aircraft is certificated.

(b) Major alteration to the aircraft or its components which materially affects the flight characteristics.

8. Section 40.116-1 as published on October 17, 1953 in 18 F. R. 6617 is deleted.

9. Section 40.153-1 as published on October 17, 1953 in 18 F. R. 6617 is amended by substituting the word "will" for "must" in the last sentence thereof.

10. Section 40.170-1 is adopted to read:

§ 40.170-1 *Approval of aircraft instruments and equipment for all operations (CAA interpretations which apply to § 40.170 (a)).* Instruments and equipment specified in §§ 40.171, 40.172, and §§ 40.230 through 40.232 must be approved in accordance with one or more of the following methods:

(a) Instruments and equipment which are accepted as part of the aircraft on original certification.

(b) Instruments and equipment manufactured in accordance with (TSO) Technical Standard Orders and installed in accordance with approved repair and alteration procedures or on original aircraft certification.

(c) Instruments and equipment manufactured in accordance with a (CAATC) Type Certificate and installed on original aircraft certification or subsequent repair and alteration approval.

(d) Instruments and equipment approved by the Administrator in accordance with standard repair and alteration procedure.

11. Section 40-170-2 as published on October 17, 1953 in 18 F. R. 6617 is revised to read:

§ 40.170-2 *Determination of operable condition of radio equipment (CAA interpretations which apply to § 40.170 (b)).* Radio equipment specified in

§§ 40.230 through 40.232 which is of such complex nature that it cannot be accurately checked for operable condition prior to take-off, except by special ramp or shop performance check procedures, may be deemed to have been determined operable if equipment in this category is comprehensively checked for satisfactory operational performance during the last comprehensive performance check specified in the Operations Specifications, Aircraft Maintenance (other than pre-flight or daily) of the air carrier using such equipment coupled with frequent in-flight checks by pilots during regular operations.

12. Sections 40.173-1 through 40.173-4 as published on October 17, 1953, in 18 F. R. 6617-6618 are deleted and a new § 40.173-1 is adopted to read:

§ 40.173-1 *Hand fire extinguishers for crew, passenger and cargo compartments (CAA interpretations which apply to § 40.173 (d))* Approved extinguishers are extinguishers which have been approved by the Administrator or by the Underwriters Laboratories (UL) the Factory Mutual Laboratories (FML) or any other agency which may be deemed qualified by the Administrator in accordance with § 4b.18 of this chapter.

13. Sections 40.175-1 and 40.175-2 as published on October 17, 1953 in 18 F. R. 6618 are deleted and a new § 40.175-1 is adopted to read:

§ 40.175-1 *Power supply requirements for operation of instruments (CAA interpretations which apply to § 40.175 (c))* (a) Instruments and equipment using an external power source are interpreted to mean all instruments and equipment which derive their operative or motive power from an external source such as radios, air driven instruments, electric gyro instruments, etc., as contrasted with spring driven clocks or magnetic compasses which have a self-contained power source.

(b) The requirement that all airplanes have installed "a power supply and distribution system capable of producing and distributing the load for all required instruments and equipment using and external power source in the event of failure of any one power source or component of the power distribution system" is interpreted to mean that an alternate power source or sources and power distribution system or systems will be necessary to assure that all required instruments and equipment, using an external power source, receive their essential operative or motive power regardless of failure of any one power source or component of a power distribution system.

14. Section 40.178-1 as published on October 17, 1953 in 18 F. R. 6618 is deleted.

15. Section 40.206-1 as published on October 17, 1953 in 18 F. R. 6618 is deleted.

16. Section 40.230-1 as published on October 17, 1953 in 18 F. R. 6618 is revised to read:

§ 40.230-1 *Independent radio systems (CAA interpretations which apply to*

§ 40.230). Radio systems are independent where each such system is separate and complete, and the function of any part of the whole of one system is not dependent on the continued functioning of any component of the other, and in event of failure in one system, the other system is capable of continued independent operation.

17. Sections 40.241-1 and 40.241-2 as published on October 17, 1953 in 18 F. R. 6618-6619 are deleted and a new § 40.241-1 is adopted to read:

§ 40.241-1 *Persons directly in charge of inspection, maintenance, overhaul, or repair of airframes, engines, propellers, or appliances (CAA interpretations which apply to § 40.241 (b))* The individual "directly in charge" is interpreted to mean each individual assigned by the carrier or other person performing maintenance, to a position in which he is responsible for the work of a shop or station which performs inspections, maintenance, repairs, alterations, or other functions affecting aircraft airworthiness. Such individuals need not necessarily physically observe and direct each worker constantly, but must be available for consultation and decision on matters requiring instruction or decision from higher authority than that of the individuals performing the work.

18. Sections 40.261-1 and 40.307-1 as published on October 17, 1953 in 18 F. R. 6619 are deleted.

(Sec. 205, 52 Stat. 984, as amended; 49 U. S. C. 425. Interpret or apply secs. 601, 604, 605, 608, 52 Stat. 1007, 1010, 1011; 49 U. S. C. 551, 554, 555, 558)

This supplement shall become effective January 1, 1954.

[SEAL]

F. B. LEE,

Administrator of Civil Aeronautics.

[F. R. Doc. 53-10581; Filed, Dec. 21, 1953; 8:46 a. m.]

Subchapter B—Economic Regulations

[Reg. ER-194]

PART 241—FILING OF REPORTS BY CERTIFICATED AIR CARRIERS AND UNIFORM ACCOUNTING REQUIREMENTS

Adopted by direction of the Civil Aeronautics Board at its office in Washington, D. C., on the 17th day of December 1953.

Pursuant to authority delegated by the Civil Aeronautics Board to the Office of Carrier Accounts and Statistics this amendment to Part 241 of the Economic Regulations (14 CFR Part 241) is being adopted for the purpose of requiring certificated air carriers to separate in their accounts and on their CAB Form 41 reports the service and subsidy elements of mail payments. This separation will give Congress and the public continuing information as to the amount of subsidy paid to the carriers and is in line with the President's Reorganization Plan No. 10, effective October 1, 1953,

which transfers to the Board the function of paying the subsidy portion of air mail compensation under the Civil Aeronautics Act.

Notice of this proposed change was published in the FEDERAL REGISTER on October 29, 1953, in Draft Release No. 66. Moreover, all air carriers affected by this change informally received identical notification of the change through distribution of a memorandum addressed to the chief accounting officers of all scheduled air carriers from the Chief, Accounting and Statistics Division of the Bureau of Air Operations.

Interested persons have been afforded an opportunity to participate in the making of this rule and due consideration has been given to all relevant matters submitted and arguments presented.

In consideration of the foregoing, the Board hereby amends Part 241 of the Economic Regulations as follows, effective January 21, 1954:

1. By deleting the instructions and item list under § 241.3102 *Mail; United States* and insertion of two paragraphs to read:

(a) This account shall include income from the carriage of United States mail accruing under service mail rates established by the Civil Aeronautics Board.

(b) Fines and penalties imposed by the United States Government in connection with the carriage of mail shall be charged to Account 7193, "Other Non-Operating Expenses"

2. By inserting between § 241.3109 *Other transportation*, and § 241.4100 *Incidental revenues*; net of the following new center heading and section:

FEDERAL SUBSIDY

§ 241.3900 *Federal subsidy.*¹ (a) This account shall include elements of compensation fixed pursuant to section 406 (b) of the Civil Aeronautics Act which exceed amounts accruing under service mail rates established by the Civil Aeronautics Board for the carriage of United States mail.

(b) Fines and penalties imposed by the United States Government shall be charged to Account 7193, "Other Non-Operating Expenses"

(Sec. 205, 52 Stat. 984, 49 U. S. C. 425. Interpret or apply sec. 407, 52 Stat. 1000; 49 U. S. C. 487.)

NOTE: The record keeping and reporting requirements of this amendment have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

By the Office of Carrier Accounts and Statistics.

[SEAL]

WARNER H. HORD,

Chief, Office of Carrier Accounts and Statistics.

[F. R. Doc. 53-10598; Filed, Dec. 21, 1953; 8:50 a. m.]

¹ A sample copy of Schedule B of CAB Form 41 incorporating this new account was filed as part of the original document.

TITLE 26—INTERNAL REVENUE

Chapter I—Internal Revenue Service,
Department of the TreasurySubchapter C—Miscellaneous Excise Taxes
[Regulations 29]PART 197—DRAWBACK OF TAX ON DIS-
TILLED SPIRITS USED IN THE MANUFAC-
TURE OF NONBEVERAGE PRODUCTS

Preamble. 1. These regulations, "Regulations 29, Drawback of Tax on Distilled Spirits Used in the Manufacture of Nonbeverage Products," (26 CFR Part 197) are a republication of Regulations 29, 1942 edition (26 CFR Part 197) as amended to date by approved Treasury decisions.

2. These regulations, except for the revision of several sections to conform with the delegation of authority made in IR-Mimeograph No. 232, dated July 6, 1953, consist only of previously approved material but the text has been rearranged and renumbered to conform to the Federal Register Regulations (13 F. R. 5929)

3. This republication of these regulations shall not affect or limit any act done or any liability previously incurred, or any suit, action, or proceeding had or commenced in any civil, administrative, or criminal cause and proceeding prior to the date of republication, nor shall this republication release, acquit, affect, or limit any offense committed in violation of these regulations prior to republication, or any penalty, liability or forfeiture incurred prior to such date.

4. It is found that compliance with the notice and public rule-making procedure of section 4 (a) and the effective date limitations of section 4 (c) of the Administrative Procedure Act (5 U. S. C. 1001, et seq.) is unnecessary in connection with the republication of the regulations in this part for the reason that the changes made relate merely to form and not to substance.

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197.0-1 Tax.
197.0-2 Registration.

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AUTHORITY: §§ 197.1 to 197.132 issued under 53 Stat. 467; 26 U. S. C. 3791. Interpret or apply 53 Stat. 383 as amended, 394, 396, 399, 495; 26 U. S. C. 3250, 3270, 3230, 3304, 4041. Other statutory provisions interpreted or applied are cited to text in parenthesis.

§ 197.0 *Statutory provisions.* The provisions of law having more common application to drawback of tax on distilled spirits used in the manufacture of nonbeverage products are contained in §§ 197.0-1 and 197.0-2.

§ 197.0-1 Tax.

26 U. S. C. 3250 Tax.

(1) *Manufacturers or producers of designated nonbeverage products—(1) In general.* Any person using distilled spirits produced in a domestic registered distillery or industrial alcohol plant and fully taxpaid in the manufacture or production of medicines, medicinal preparations, food products, flavors, or flavoring extracts which are unfit for beverage purposes, upon payment of a special tax per annum, shall be eligible for drawback at the time when such distilled spirits are used in the manufacture of such products and as hereinafter provided for.

(2) Such special tax per annum shall be graduated in amount as follows: (a) for total annual withdrawals not exceeding 25 proof gallons, \$25 per annum; (b) for total annual withdrawals not exceeding 50 proof gallons, \$50 per annum; (c) for total annual withdrawals of 50 proof gallons or more, \$100 per annum.

(3) *Requirements.* Such person shall register annually with the Commissioner; keep such books and records as may be necessary to establish the fact that distilled spirits purchased by him and fully taxpaid were used in the manufacture or production of medicines, medicinal preparations, food products, flavors, or flavoring extracts which were unfit for use for beverage purposes; and shall be subject to such rules and regulations in relation thereto as the Commissioner, with the approval of the Secretary, shall prescribe to secure the Treasury of the United States against frauds.

(4) *Investigative powers of Commissioner.* The Commissioner, for the purpose of ascertaining the correctness of any claim filed under this subsection is authorized, by any officer or employee of the Bureau of Internal Revenue, including the field service, designated by him for that purpose, to examine any books, papers, records, or memoranda bearing upon the matters required to be alleged in the claim, and may require the attendance of the person filing the claim or of any officer or employee of such person, or the attendance of any other person having knowledge in the premises, and may take his testimony with reference to any matter covered by the claim, with power to administer oaths to such person or persons.

(5) *Drawback.* In the case of distilled spirits tax-paid and used as provided in this subsection, a drawback shall be allowed—

(A) At the rate of \$6 on each proof gallon, upon which tax is paid at a rate of \$9 per proof gallon prior to the effective date of section 463 of the Revenue Act of 1951.

(B) At the rate of \$9.50 on each proof gallon upon which tax is paid at a rate of

\$10.50 per proof gallon on and after the effective date of section 462 of the Revenue Act of 1951, and

(C) At the rate of \$8 on each proof gallon upon which tax is paid at a rate of \$9 per proof gallon after March 31, 1954.

Such drawback shall be due and payable quarterly upon filing of a proper claim with the Secretary; except that, where any person entitled to such drawback shall elect in writing to file monthly claims therefor, such drawback shall be due and payable monthly upon filing of a proper claim with the Secretary. *Provided, however,* That the Secretary may require persons electing to file monthly drawback claims to file with him a bond or other security in such amount and with such conditions as he shall by regulations prescribe. Any such election may be revoked upon filing of notice thereof with the Secretary. No claim under this subsection shall be allowed unless filed with the Secretary within the three months next succeeding the quarter in which the distilled spirits covered by the claim were used as provided in this subsection.

§ 197.0-2 Registration.

26 U. S. C. 3270 REGISTRATION.

(a) *Requirements.* Every person engaged in any trade or business on which a special tax is imposed by law shall register with the collector of the district his name or style, place of residence, trade or business, and the place where such trade or business is to be carried on. In case of a firm or company, the names of the several persons constituting the same, and the places of residence, shall be so registered.

Subpart A—Scope of Regulations

§ 197.1 *Drawback of tax on spirits used in nonbeverage products.* These regulations, "Regulations 29, Drawback of Tax on Distilled Spirits Used in the Manufacture of Nonbeverage Products" (26 CFR Part 197) contain the procedural and substantive requirements relative to obtaining drawback of internal revenue tax on distilled spirits used in the manufacture of certain nonbeverage products. The regulations cover the allowance of drawback of internal revenue tax on fully tax-paid domestic distilled spirits used in the manufacture or production of medicines, medicinal preparations, food products, flavors, or flavoring extracts, which are unfit for beverage purposes; the payment of special (occupational) taxes in order to be eligible to claim drawback; claims; formulas and samples; losses; and records and reports of distilled spirits received and used in the manufacture of nonbeverage products.

Subpart B—Definitions

§ 197.10 *Meaning of terms.* As used in this part, unless the context otherwise requires, terms shall have the meaning ascribed in this subpart.

§ 197.11 *Domestic distilled spirits and distilled spirits.* "Domestic distilled spirits" and "distilled spirits" shall mean that substance known as ethyl alcohol produced at industrial alcohol plants operated under Regulations 3 (26 CFR Part 182) and those substances known as whisky, brandy, rum, or other spirits, produced at registered distilleries or fruit distilleries operated under Regulations 4 (26 CFR Part 183) and 5 (26 CFR Part 184)

§ 197.12 *Filed.* A claim for drawback shall be deemed to have been "filed"

when it is delivered to the office of the proper Assistant Regional Commissioner, Alcohol and Tobacco Tax, and by that office received.

§ 197.13 *Fully taxpaid.* Distilled spirits shall be deemed to have been "fully taxpaid" when the internal revenue tax imposed and levied in respect thereto has been paid at the rates provided by law.

§ 197.14 *Intermediate products.* "Intermediate products" shall mean products containing distilled spirits which are not subject to drawback until used in a nonbeverage product eligible for drawback.

§ 197.15 *I. R. C.* "I. R. C." shall mean the Internal Revenue Code.

§ 197.16 *Nonbeverage products.* The term "nonbeverage products" refers to medicines, medicinal preparations, food products, flavors, or flavoring extracts, in the manufacture or production of which fully tax-paid distilled spirits are used, and which are unfit for use for beverage purposes.

§ 197.17 *Time.* The "time" at which distilled spirits shall be deemed to have been used is when the product contains the ingredients called for by an approved formula, or formulas prescribed by the United States Pharmacopoeia, the National Formulary, or the Homeopathic Pharmacopoeia of the United States, as the case may be.

§ 197.18 *Total annual withdrawals.* The term "total annual withdrawals" shall mean the total quantity of distilled spirits (proof gallons) which are used in the manufacture or production of nonbeverage products during a year.

§ 197.19 *U. S. C.* "U. S. C." shall mean the United States Code.

§ 197.20 *Used.* Distilled spirits shall be deemed to have been "used" in the manufacture of a product designated in 26 U. S. C. 3250 (1) when such spirits are either consumed in such manufacture or are incorporated in the product: *Provided,* That spirits lost by causes such as spillage, leakage, breakage or theft, prior to or during the process of manufacture, shall not be deemed to be consumed in such manufacture.

§ 197.21 *Year.* "Year" shall mean the period which begins July 1 and ends on the following June 30.

Subpart C—Special Tax

§ 197.25 *Payment and rates of special tax.* Each person who uses distilled spirits in the manufacture or production of medicines, medicinal preparations, food products, flavors, or flavoring extracts which are unfit for beverage purposes, in order to be eligible to claim the drawback on the distilled spirits so used, must pay special tax at the rate of \$25 per annum for total annual withdrawals not exceeding 25 proof gallons of distilled spirits; \$50 per annum for total annual withdrawals not exceeding 50 proof gallons; or \$100 per annum for total annual withdrawals of more than 50 proof gallons. Where a claim is filed in the first quarter of a year, covering distilled spirits used during the last quarter of the preceding year, and spe-

cial tax has not been paid for the preceding year, special tax for such preceding year must be paid in the appropriate amount prior to or at the time of filing the claim. Special tax, based upon estimated withdrawals, may be paid in advance of actual withdrawals. Adjustments of the special tax where improperly paid will be made in accordance with §§ 197.55 and 197.56. The manufacturer is not required to pay the special tax if he does not claim drawback on the distilled spirits used by him.

§ 197.26 *Special tax for each place.* A separate special tax must be paid for each place at which distilled spirits are used in the manufacture or production of nonbeverage products if a claim is filed for drawback of tax on distilled spirits so used at each such place.

§ 197.27 *Date special tax due.* The special tax must be paid prior to the filing of the first claim for drawback during any fiscal year commencing July 1 and ending with June 30 following. Notwithstanding the month of the fiscal year in which the claim is filed, the full annual special tax of \$25, \$50, or \$100, as the case may be, must be paid.

§ 197.28 *Filing of return and payment of special tax.* Persons intending to file claims for drawback shall file returns on Form 11 with remittances, with the district director of internal revenue for the district in which the place of manufacture is located. The remittance must be in the form of cash, United States post office money order, or certified check. Uncertified checks will not be accepted by the district director.

EXECUTION OF FORM 11

§ 197.29 *General.* Special-tax returns, Form 11, may be procured from any district director or collection officer and shall disclose, in the spaces provided, the following:

(a) The true name of the taxpayer, which may be followed by the words "trading as" and any trade name under which the business is conducted.

(b) The exact location of the place of business, as by name and number of building or street, and where these do not exist, by some particularization in addition to the post office address.

(c) The kind of business carried on.

(d) Except in the case of a corporation, the true names of all persons having a proprietary interest in the business. While it is not necessary that the names of all persons having a proprietary interest in the business appear on the special-tax stamp, the names must be disclosed on the return, Form 11.

§ 197.30 *Signature.* The return of an individual proprietor shall be signed by the proprietor; the return of a partnership shall be signed by a member of the firm; and the return of a corporation shall be signed by an officer thereof. In each case, the person signing the return shall designate his capacity, as "individual owner," "member of firm," or, in the case of corporation, the title of the officer. Receivers, trustees, assignees, executors, administrators, and other legal representatives who continue

the business of a bankrupt, insolvent, deceased person, etc., will indicate the fiduciary capacity in which they act. Returns signed and sworn to by persons as agents will not be accepted unless they file with the district director a power of attorney authorizing them so to act.

§ 197.31 *Oaths or affirmations.* Form 11 must be sworn to before a notary public or other official authorized to administer oaths: *Provided*, That if the form officially prescribed for such return contains therein a provision for verification by a written declaration that such return is made under penalties of perjury, such return shall be verified by the execution of such declaration, and such declaration so executed shall be in lieu of the oath required herein for verification.

(63 Stat. 667; 26 U. S. C. 3809)

Subpart D—Special-Tax Stamps

§ 197.40 *Issuance of stamps.* Upon receipt of a return on Form 11, properly executed, together with proper remittance, the district director of internal revenue will issue a special-tax stamp designated "Manufacturer of Nonbeverage Products." District directors and collection officers may not issue the special-tax stamp before the tax is fully paid. Such special-tax stamp may not be sold or otherwise transferred to another person.

§ 197.41 *Posting of stamps.* A special-tax payer shall conspicuously display his special-tax stamp in the place of business for which the special tax was paid. If such stamp is lost or accidentally destroyed, the taxpayer should immediately notify the district director of internal revenue from whom the stamp was purchased, who will issue to the taxpayer a "Certificate in Lieu of Lost or Destroyed Special Tax Stamp," which must be kept in the same manner as the stamp.

(53 Stat. 394; 26 U. S. C. 3273)

§ 197.42 *Corrections of errors on stamps.* On receipt of a special-tax stamp, the taxpayer will examine it to insure that the name and address are correctly stated thereon. If an error has been made, the stamp should be returned to the district director of internal revenue, with a statement showing the nature of the error and setting forth the proper name or address. The district director of internal revenue, on receipt of such stamp and statement, will compare the data with that on Form 11, and if an error on the part of the district director of internal revenue has been made, he will make the necessary correction and return the stamp to the taxpayer. If the Form 11 agrees with the data on the stamp, the district director of internal revenue will require the taxpayer to file a new Form 11, designated "Amended Return," disclosing the proper name and address, and, on receipt of the amended Form 11, will amend his Record 10 accordingly, attach the amended Form 11 to the original Form 11, make the proper correction on the stamp, and return it to the taxpayer.

No. 248—2

CHANGE IN LOCATION

§ 197.43 *General.* A special-tax payer who, during the fiscal year for which special tax was paid, removes his place of manufacture to a place other than that specified in his special-tax stamp, must register the change with the district director of internal revenue from whom the special-tax stamp was purchased, within 90 days after he moves into the new premises, by executing a new return on Form 11, designated as "Amended Return," setting forth the time when and the place to which such removal was made, and shall surrender the special-tax stamp to the district director of internal revenue for indorsement of the change in location.

(53 Stat. 396; 26 U. S. C. 3280)

§ 197.44 *Removal in same internal revenue district.* When a special-tax payer removes his place of manufacture to another address within the same internal revenue district, the district director will enter on his Record 10 the new address and the date of removal into the new premises, and will note the change on the face of the special-tax stamp, stating clearly thereon the new location, and will return the special-tax stamp to the taxpayer.

§ 197.45 *Removal to another internal revenue district.* When a taxpayer removes his place of manufacture to a location within an internal revenue district other than that in which the special-tax stamp was issued, the district director who issued the special-tax stamp will enter on his Record 10 the new address and date of removal into the new premises, stating clearly the new location where the business is to be carried on, and will transmit the stamp to the district director of the district to which the taxpayer removed. The district director of that district will make entry on his Record 10, as in the case of a new registrant, and note the taxpayer's new address and the district director's name, title, and district, and the date of removal on the special-tax stamp, which will be returned to the taxpayer.

§ 197.46 *Failure of registration.* A person who removes his place of manufacture and fails to register such removal with the district director, as required by § 197.43, must pay a new special tax for the new location if a claim for drawback is filed by him during the fiscal year for which the original special tax was paid.

§ 197.47 *Certificates in lieu of lost stamps.* The provisions of §§ 197.43–197.46 shall apply to certificates issued in lieu of lost or destroyed special-tax stamps.

CHANGE IN CONTROL

§ 197.48 *General.* Certain persons other than the special-tax payer may, without paying additional special tax, be eligible to the same privileges granted by law to the taxpayer during the remainder of the fiscal year for which the special tax was paid. To secure such right, such person or persons must file

with the district director from whom the special-tax stamp was purchased, within 90 days after the date on which the successor or successors assume control, a return on Form 11, showing the basis of the succession.

§ 197.49 *Persons eligible.* Under the conditions indicated in § 197.48, persons such as those listed below have the right of succession:

Death: The widow or child, or executor, administrator, or other legal representative of the taxpayer.

Husband and wife: A husband or wife succeeding to the business of his or her spouse (living).

Insolvency: A receiver or trustee in bankruptcy, or an assignee for benefit of creditors.

Withdrawal from firm: The partner or partners remaining after death or withdrawal of a member.

§ 197.50 *Failure of registration.* A person so succeeding, who fails to register such succession with the district director, as required by § 197.48, must pay a new special tax if a claim for drawback is filed by him during the fiscal year for which the original special tax was paid.

§ 197.51 *Certificates in lieu of lost stamps.* The provisions of §§ 197.48–197.50 shall apply to certificates issued in lieu of lost or destroyed special-tax stamps.

CHANGE IN NAME OR STYLE

§ 197.52 *General.* A special-tax payer does not incur liability to additional special tax by reason of a mere change in the trade name or style under which such business is conducted, nor by reason of a change in management which involves no change in the proprietorship of the business.

§ 197.53 *Change in capital stock.* Additional special tax is not required by reason of a change of name or increase in the capital stock of a corporation if the laws of the State of incorporation provide for such changes without creating a new corporation.

§ 197.54 *Sale of stock.* No additional special tax is required by reason of the sale or transfer of all or a controlling interest in the capital stock of a corporation.

ADJUSTMENT OF SPECIAL TAX RATE

§ 197.55 *Change to higher rate.* A manufacturer of nonbeverage products who pays a special tax of \$25 per annum and has filed or intends to file a claim or claims for drawback covering distilled spirits in excess of 25 proof gallons used during the year for which the special tax was paid, must pay special tax of \$50 or \$100, as the case may be, and obtain a stamp therefor. The manufacturer may thereupon submit the special-tax stamp of \$25 to the district director of internal revenue to whom the special tax was paid with a claim on Form 843 for refund of the value thereof. Similar procedure will govern in the case of a manufacturer of nonbeverage products who pays special tax of \$50 and has filed or intends to file claim for drawback covering distilled spirits used in excess of 50 proof gallons.

§ 197.56 *Change to lower rate.* A manufacturer of nonbeverage products who pays special tax of \$100 or \$50 per annum, as the case may be, and, during the year for which the special tax was paid, files claim or claims for drawback covering the use of not more than 50 or 25 proof gallons of distilled spirits, as the case may be, may file a claim on Form 843 for refund of the difference between the special tax paid and the special tax due. The special-tax stamp shall be attached to the claim.

§ 197.57 *Refund of special tax.* Refund of special tax may be made if it is established that the taxpayer did not file a claim for drawback for the period covered by the special-tax stamp. Where claim for drawback was filed, refund of special tax may be made if it is established that no drawback was allowed or paid for the period covered by the stamp.

CLAIMS FOR REFUND OF SPECIAL TAX

§ 197.58 *General.* Claims for refund of the special tax alleged to have been erroneously or improperly paid shall be filed on Form 843 (original only) with the district director of internal revenue to whom the special tax was paid. The claim must set forth in detail and state each ground upon which it is made, and facts sufficient to apprise the Assistant Regional Commissioner of the exact basis thereof. The special-tax stamp shall be attached to the claim.

(53 Stat. 399; 26 U. S. C. 3304)

§ 197.59 *Limitation.* No claim for refund of the special tax shall be allowed unless presented within four years next after the payment of such tax.

(53 Stat. 399; 26 U. S. C. 3304)

Subpart E—Bonds and Consents of Sureties

§ 197.65 *General.* Every person required to file a bond or consent of surety under the provisions of this part shall prepare and execute it on the prescribed form, in triplicate, in accordance with the provisions in this part and the instructions printed on the form, and shall submit it to the Assistant Regional Commissioner. The bonds required by the provisions in this part shall be given with surety or collateral security. The surety may be individual or corporate. The surety may not have any interest, either direct or indirect, in the business of the principal on the bond.

§ 197.66 *Corporate surety.* Bonds may be given with corporate surety authorized by the Secretary of the Treasury to become surety on Federal bonds, subject to the limitations prescribed by the Secretary in Treasury Department Form 356, Commissioner of Accounts, Surety Bonds Branch, which is issued annually, and subject to such amendatory circulars as may be issued from time to time. A bond executed by two or more corporate sureties shall be the joint and several liability of the principal and the sureties: *Provided*, That each corporate surety may limit its liability in terms upon the face of the bond in a definite, specified amount, which amount shall not exceed the limitations prescribed for such corporate surety by the Secretary, as set

forth in Treasury Department Form 356. When the sureties so limit their liability, the aggregate of such limited liabilities must equal the required penal sum of the bond.

§ 197.67 *Powers of attorney.* Powers of attorney and other evidence of appointment of agents and officers to execute bonds on behalf of corporate sureties are required to be filed with, and passed upon by, the Commissioner of Accounts, Surety Bonds Branch, Treasury Department. Such powers and other evidence of appointment need not be filed with, or submitted to, Assistant Regional Commissioners. Powers of attorney or other evidence of appointment of agents and officers to execute bonds on behalf of the principal, must be filed on Form 1534, in triplicate, with the Assistant Regional Commissioner with whom the bond is filed.

§ 197.68 *Individual sureties.* Bonds may be given with individual sureties of which there must be not less than two, each of whom must qualify by executing Form 33 (AT) in triplicate. Individual sureties must be citizens of the United States and reside in the State in which the business of the principal is to be conducted. No person will be accepted as an individual surety in a State in which he is not authorized to become a surety.

§ 197.69 *Ownership of real property.* Each individual surety must own unencumbered real property, in fee simple, the appraised value of which, over and above any exemptions from execution allowed by the laws of the State, is equal to the penal sum of the bond. Such real property must be located within the State where the business of the principal is to be conducted. The real property must be described in the surety's affidavit, Form 33 (AT) with all of the formalities required in conveyances of real estate by the laws of the State in which it is situated.

§ 197.70 *Execution of Form 33 (AT)* The surety's affidavit on Form 33 (AT) shall contain all of the information required by this part and the instructions printed on the form. The form shall be subscribed and sworn to before an officer duly authorized to administer oaths, and one copy thereof shall be attached to each copy of the bond to which it relates.

§ 197.71 *Certificate of title.* There must be submitted with the surety's affidavit, Form 33 (AT), a certificate of title, in triplicate, showing that the surety has a fee simple title free of encumbrances to the realty described in the form: *Provided*, That where recognized by the laws of the State in which the realty is located, there may be submitted, in lieu of a certificate of title, a document of comparable validity, such as a certified copy of a title insurance policy or a certificate of search and finding executed by an authorized attorney.

§ 197.72 *Appraisal.* There will also be submitted with Form 33 (AT) an appraisal, in triplicate, by two or more competent persons, designated by the Assistant Regional Commissioner for the purpose, showing separately the value of the land and buildings, and a full and

clear statement of the method employed by them in determining their valuation. The appraisal shall be at the expense of the principal on the bond, unless it is made by Government officers.

§ 197.73 *Investigation.* The Assistant Regional Commissioner must cause an investigation to be made of all the facts stated in the surety's affidavit on Form 33 (AT) and supporting documents, and shall forward one copy of the report of such investigation to the Commissioner with the bond and accompanying Form 33 (AT).

§ 197.74 *Requalification.* The Commissioner or Assistant Regional Commissioner may at any time require the requalification of individual sureties on Form 33 (AT).

§ 197.75 *Deposit of collateral.* Except as provided in this section, bonds or notes of the United States, or other obligations which are unconditionally guaranteed as to both interest and principal by the United States, may be pledged and deposited by principals as collateral security in lieu of individual or corporate sureties. Assistant Regional Commissioners on receiving such bonds or notes, or other obligations, pledged and deposited by principals as collateral security in lieu of surety, shall deposit such securities as required by Department Circular No. 154, revised (31 CFR Part 225) United States Savings, Defense Savings, and War Savings Bonds issued under the authority of section 22 of the Second Liberty Bond Act, as amended, and other bonds and notes of the United States, which are nontransferable or the hypothecation of which will not be recognized by the Treasury Department, may not be pledged and deposited as security in lieu of corporate or individual sureties.

(Sec. 1126, 44 Stat. 122 as amended, sec. 7, 49 Stat. 22; 6 U. S. C. 15)

§ 197.76 *Consents of surety.* Consents of surety to a change in the terms of a bond must be executed on Form 1533, in as many copies as are required of the bond which they affect, by the principal and all sureties with the same formality and proof of authority to execute as are required for the execution of bonds. Form 1533 will be used by obligors on collateral bonds as well as those on surety bonds. The Form 1533 must properly identify the bond affected thereby and state specifically and precisely what is covered by the extended terms thereof. If the surety is a corporation, the consent may be executed by an agent or attorney in fact duly authorized so to do by power of attorney filed by the surety with the appropriate Assistant Regional Commissioner, or the consent may be executed by the home office officials of such corporate surety; except that, in cases where the saving of time is an element, the consent may be executed by an agent or attorney in fact where the home office officials, by specific direction, order its execution. A copy of such specific direction should be attached to each copy of such consent.

§ 197.77 *Approval required.* No person using distilled spirits in the manu-

facture of nonbeverage products may file monthly claim for drawback under the provisions of this part until bond on Form 1730 has been approved by the Assistant Regional Commissioner.

§ 197.78 *Authority to approve.* Assistant Regional Commissioners are authorized to approve all bonds and consents of surety required by this part.

§ 197.79 *Additional or strengthening bonds.* In all cases where the penal sum of a bond on file and in effect is not sufficient, computed as prescribed by this part, the principal may give an additional or strengthening bond in a sufficient penal sum, provided the surety thereon is the same as on the bond already on file and in effect; otherwise a new bond covering the entire liability will be required. Such additional or strengthening bonds, being filed to increase the bond liability of the principal and the surety, shall not be construed in any sense to be substitute bonds, and the Assistant Regional Commissioner will refuse to approve an additional or strengthening bond where any notation is made thereon which may be construed as a release of any former bond or as limiting the amount of either bond to less than its full penal sum. Additional or strengthening bonds must show the current date of execution and the effective date in the blank spaces provided therefor. Such bonds must have marked thereon, by the obligors at the time of execution, "Additional Bond," or "Strengthening Bond," as the case may be.

§ 197.80 *New or superseding bonds.* The principal on any bond filed pursuant to this part may, at any time, substitute a new bond therefor. Executors, administrators, assignees, receivers, trustees, or other persons acting in a fiduciary capacity, continuing or liquidating the business of the principal, must execute and file a new bond or obtain the consent of the surety or sureties on the existing bond or bonds. When, in the opinion of the Commissioner or the Assistant Regional Commissioner, the interests of the Government demand it or in any case where the security of the bond becomes impaired in whole or in part for any reason whatever, the principal will be required to give a new bond. A new bond shall be required immediately in case of death, removal from the State, or insolvency of an individual surety, or the insolvency of a corporate surety. Where a bond is found to be not acceptable or for any reason becomes invalid or of no effect, the principal shall be required to file immediately a new and satisfactory bond. Superseding bonds must show the current date of execution and the date they are to be effective, and each such bond shall have marked thereon, by the obligors at the time of execution, "Superseding Bond." Where a new bond is submitted by the principal to supersede a bond or bonds then in effect, and such superseding bond has been approved, the superseded bond shall be released as to transactions occurring wholly subsequent to the effective date of the superseding bond and notice of termination

of the superseded bond may be issued as provided in § 197.85.

§ 197.81 *Account with drawback bond.* The Assistant Regional Commissioner will keep an account with each bond governing the allowance of drawback on a monthly basis. The principal will be charged with the amount of drawback allowed on each monthly claim. Credit will be given on the account with the bond in the amount equal to the drawback found by audit and investigation to be allowable, under the provisions of this part.

TERMINATION OF BONDS

§ 197.82 *General.* Continuing bonds on Form 1730 will be terminated by the Assistant Regional Commissioner as to liability on drawback allowed after a specified future date (a) pursuant to a notice by the surety as provided in § 197.83, (b) following approval of a superseding bond, as provided in § 197.80, or (c) following notification by the principal of his intent to discontinue the filing of claims on a monthly basis: *Provided,* That the bond will not be terminated until all outstanding liability thereunder has been discharged. Upon termination, the Assistant Regional Commissioner will mark the bond "canceled" followed by the date of cancellation, and will issue a notice of termination, Form 1490, or a notice of release, Form 1491, as provided in § 197.86.

§ 197.83 *Application of surety for release from bond.* A surety on any bond required by this part may at any time, in writing, notify the Assistant Regional Commissioner in whose office the bond is on file, and the principal, that he desires to be relieved of liability under the bond at a date not less than 60 days after the date of the notification. One copy of the notice must be delivered to the principal and two copies shall be delivered to the Assistant Regional Commissioner. If the notice is given by an agent of the surety it must be accompanied by a power of attorney authorizing the agent to give such notice, or by a verified statement that such power of attorney is on file with the Treasury Department. The surety must also file with the Assistant Regional Commissioner an acknowledgment or other proof of service of such notice on the principal.

§ 197.84 *Extent of release of surety from liability under bond.* If the notice required by § 197.83 is not withdrawn thereafter in writing, the rights of the principal as supported by the said bond shall be terminated on the date named in the notice, and the surety will be relieved from liability for drawback allowed subsequent to the date named. Liability for drawback allowed prior to the date named in the surety's notice will continue until the claims for such drawback have been properly verified by the Assistant Regional Commissioner according to law and this part. Where the principal files a valid superseding bond, the surety on the bond superseded will be relieved from liability for drawback allowed wholly subsequent to the effective date of the superseding bond.

§ 197.85 *Action by Assistant Regional Commissioner.* When an application by the surety for release from bond is filed with the Assistant Regional Commissioner, or when a superseding bond has been approved, or when the principal has discontinued filing claims on a monthly basis, the Assistant Regional Commissioner will make a complete examination of records to determine whether there is any liability then due and payable, or chargeable, outstanding against the bond. If it is found that liabilities chargeable against the bond have not been paid or credited or otherwise settled, no further action will be taken until all such liabilities have been settled. If the Assistant Regional Commissioner finds that the bond may be properly terminated, he will issue notice of termination in accordance with the provisions of § 197.86.

§ 197.86 *Notice of termination.* Upon determining that the bond on Form 1730 may be terminated, the Assistant Regional Commissioner will execute a notice of termination, Form 1490, where a superseding bond has been approved, or a notice of release, Form 1491, where the principal has discontinued filing monthly claims, or where the surety has made application for release from bond as provided in § 197.83. The notice of termination or the notice of release shall be prepared in quadruplicate where there is but one surety, and in quintuplicate where there are two sureties. The Assistant Regional Commissioner will forward the original of the notice to the Commissioner, together with a copy of the surety's application, if any, furnish one copy to each obligor, and retain one copy of the notice and the surety's application, if any, on file with the bond to which it relates.

§ 197.87 *Release of collateral.* The release of collateral pledged and deposited to support bonds required by this part will be in accordance with the provisions of Department Circular No. 154, revised (31 CFR Part 225), subject to the conditions governing issuance of notices on Forms 1490 and 1491 of the termination of such bonds. When the Assistant Regional Commissioner determines that there is no outstanding liability against the bond, and has satisfied himself that the interests of the Government will not be jeopardized, the security may be released and returned to the principal.

(44 Stat. 122 as amended; 6 U. S. C. 15)

Subpart F—Formulas and Samples

§ 197.95 *Products requiring formulas.* Manufacturers intending to file drawback claims are required to file quantitative formulas for all preparations except those covered by § 197.96. Such formulas should be sent direct to the Director, Alcohol and Tobacco Tax Division, Washington 25, D. C., on Form 1678, in triplicate, before or at the time of manufacture of the products. Upon receipt by the Director, Alcohol and Tobacco Tax Division, the formulas will be examined and if found to be medicines, medicinal preparations, food products, flavors, or flavoring extracts which are unfit for beverage purposes they will be

approved. If the formulas do not meet the requirements of the law for drawback products, they will be disapproved. No drawback will be allowed on distilled spirits used in a disapproved product, unless such product is later used in the manufacture of an approved nonbeverage product. The formulas should be serially numbered, commencing with number one and continuing thereafter in numerical sequence. Amended or revised formulas will be considered as new formulas and serially numbered accordingly. One copy of each formula will be retained by the Director, Alcohol and Tobacco Tax Division, one copy returned to the manufacturer, and one copy will be sent to the Assistant Regional Commissioner for filing. The formulas returned to manufacturers shall be filed in serial order by the manufacturer and made available for examination by internal revenue officers in the investigation of drawback claims. The copies sent to Assistant Regional Commissioners shall likewise be filed in serial order, available for examination by drawback audit clerks and laboratory chemists. In the case of food products, such as preserved fruits, cakes, buns, soups, etc., it will be sufficient if the formulas therefor show the quantity of proof gallons of distilled spirits used in the production of a given quantity of finished product.

§ 197.96 *Products not requiring formulas.* Quantitative formulas need not be submitted if the products are medicinal preparations, tinctures, or fluid extracts produced under formulas prescribed by the United States Pharmacopoeia, The National Formulary, or the Homeopathic Pharmacopoeia of the United States, and such products are identified in the supporting data by name and followed by the letters "U. S. P.," "N. F.," or "H. P. U. S.," as the case may be.

§ 197.97 *Statement of process.* The Assistant Regional Commissioner, at his discretion, may at any time require any person claiming drawback under the regulations in this part to file a statement of process in addition to that required by Form 1678 and such other data as he may deem necessary for consideration of such person's claim for drawback. When such additional data are required, the statement of process should be submitted with copies of the commercial labels used on the finished products.

§ 197.98 *Samples.* The Commissioner, or Assistant Regional Commissioner, at his discretion, may also at any time require any person claiming drawback under the regulations in this part to submit a sample of each nonbeverage product for examination. Where the applicant proposes to use a mixture of oil or other ingredients, the composition of which is unknown to him, a 1-ounce sample should be submitted with the sample of finished product when so required by the Commissioner, or Assistant Regional Commissioner, as the case may be.

Subpart G—Claims for Drawback

§ 197.105 *Drawback.* Drawback at the rate specified by law on each proof gallon of distilled spirits used in the

manufacture of medicines, medicinal preparations, food products, flavors, or flavoring extracts which are unfit for beverage purposes will be allowed to any person who has become eligible for such drawback and upon the filing of a claim therefor as provided in this subpart.

§ 197.106 *Claims.* The claim for drawback shall be filed on Form 843 (original only) with the Assistant Regional Commissioner, for the region in which the place of manufacture is located, and shall pertain only to distilled spirits used in the manufacture or production of nonbeverage products during any one quarter of the year, and only one claim may be filed for each quarter. *Provided,* That where the manufacturer has notified the Assistant Regional Commissioner, in writing, of his intention to file claims on a monthly basis, in lieu of a quarterly basis, and has filed a bond in compliance with the provisions of § 197.107, claims may be filed monthly in lieu of quarterly. *Provided further* That any such election for the filing of monthly claims may be revoked upon filing of notice thereof, in writing, with the Assistant Regional Commissioner.

§ 197.107 *Bond, Form 1730.* Every person desiring to file claims for drawback on a monthly basis shall, upon filing his notice of such intention as provided in § 197.106, execute a bond on Form 1730, in triplicate, in conformity with the provisions of §§ 197.65–197.80, and file the same with the Assistant Regional Commissioner. The penal sum of the bond must be sufficient to cover the amount of drawback which will, during any quarterly period, constitute a charge against the bond: *Provided,* That the penal sum of any bond shall not exceed \$200,000 nor be less than \$1,000. The bond shall be a continuing one, and the liability thereof subject to increase as successive monthly claims are allowed thereunder and to decrease as the verifications of such monthly claims are made. When the limit of liability under a bond given in less than the maximum penal sum has been reached, no further drawback on monthly claims will be allowed unless prior charges against the bond have been decreased, or a new, or additional, bond in sufficient penal sum is furnished.

§ 197.108 *Date of filing claim.* Quarterly claims for drawback must be filed with the Assistant Regional Commissioner within the three months next succeeding the quarter in which the distilled spirits covered by the claim were used in the manufacture of nonbeverage products. Monthly claims for drawback may be filed at any time after the end of the month in which the distilled spirits covered by the claim were used in the manufacture of nonbeverage products, but must be filed not later than the close of the third month succeeding the quarter in which such spirits were used.

§ 197.109 *Information to be shown by the claim.* The claim must set forth the following:

(a) That the special tax has been paid.

(b) That the distilled spirits on which drawback is claimed were fully taxpaid and were produced in a domestic registered distillery or an industrial alcohol plant.

(c) That the distilled spirits on which the drawback is claimed were used in the manufacture or production of nonbeverage products.

(d) That the nonbeverage products were manufactured in compliance with (1) quantitative formulas filed with the Commissioner on Form 1678 prior to or at the time of manufacture, or (2) formulas prescribed by the United States Pharmacopoeia, the National Formulary, or the Homeopathic Pharmacopoeia of the United States.

(e) That the data submitted in support of the claim are correct.

SUPPORTING DATA

§ 197.110 *General.* Each claim will be accompanied by statements of supporting data as provided by §§ 197.111–197.119.

§ 197.111 *Identification of special tax-payment.* Each claim will be accompanied by a statement showing, with respect to payment of special tax: (a) Serial number of special tax stamp, (b) denomination, (c) fiscal year for which issued, (d) date of issuance, and (e) internal revenue district where issued.

§ 197.112 *Distilled spirits received in tank cars.* Each claim covering the receipt of distilled spirits in tank cars will be accompanied by a statement showing date of receipt, the name and address of the vendor, whether taxpayment was evidenced by a certificate of taxpayment, Form 1595, or a wholesale liquor dealer's stamp, the serial number of the certificate of taxpayment (Form 1595), or the wholesale liquor dealer's stamp, the date of issuance of the certificate or wholesale liquor dealer's stamp, and the name of the producer, kind, quantity, and proof of the spirits. (When a tank car or tank truck is emptied, the certificate of taxpayment, Form 1595, or the wholesale liquor dealer's stamp, as the case may be, affixed thereto shall be scalped by cutting out all of that portion of the certificate or stamp within the borders and the cut-out portion of the certificate or stamp shall be immediately forwarded to the Assistant Regional Commissioner. If the tank car or tank truck is received without the certificate or stamp attached thereto, the vendee shall note such fact on the bill of lading, if any, or on Form 1440 or 1520, as the case may be, and immediately notify the Assistant Regional Commissioner who will cause such inquiry to be made respecting the shipment and receipt of the conveyance as he may deem appropriate.)

§ 197.113 *Distilled spirits received in containers.* Each claim covering the receipt of distilled spirits in containers, such as barrels, drums, cans, or cases, bearing taxpaid or wholesale liquor dealer's stamps will be accompanied by a statement showing the date of receipt, the name and address of the vendor, the serial number of the taxpaid or wholesale liquor dealer's stamp affixed to the container, the date of issuance appearing on the stamp, the serial number, if

any, of the container, and the name of the producer, kind, quantity, and proof of the spirits. (When the package is emptied, the stamp shall be scalped and attached to the next claim filed for drawback on the spirits which were in such package. The scalped stamp will be retained by the Assistant Regional Commissioner with the claims record of the claimant.)

§ 197.114 *Distilled spirits received in bottles.* Each claim covering the receipt of distilled spirits in bottles will be accompanied by a statement showing the date of receipt, the name and address of the vendor, the serial number of the strip stamp affixed over the mouth and neck of the bottle, and the name of the bottler, kind, quantity, and proof of the spirits.

§ 197.115 *Use of distilled spirits.* Each claim covering the use of distilled spirits in the manufacture of nonbeverage products will be accompanied by a statement showing the name, description, and formula number, if any, of each nonbeverage product in the manufacture of which distilled spirits were used, the alcoholic content by volume of each such product, the number of proof gallons and kind of distilled spirits used in manufacture thereof, and the quantity produced.

§ 197.116 *Distilled spirits account.* Each claim will be accompanied by a statement showing in proof gallons the quantity of all distilled spirits on hand at the beginning of the period, quantity in process beginning of the period, quantity received during the period, quantity used during the period in the manufacture of nonbeverage products subject to drawback, quantity used in the manufacture of intermediate products, quantity otherwise used not subject to drawback, quantity in process at the end of the period, and the quantity remaining on hand at the end of the period. Distilled spirits in process will include distilled spirits represented in unfinished nonbeverage products, mixtures, menstrooms, etc. Any discrepancy between the amount of distilled spirits on hand at the end of the period as disclosed by actual inventory and the amount shown by the manufacturer's records must be reported in the summary with an explanation of the cause thereof.

§ 197.117 *Account of distilled spirits recovered in the manufacture of products eligible for drawback.* Each claim will be accompanied by a summary statement showing in proof gallons the quantity of all recovered distilled spirits on hand at the beginning of the period, quantity in process beginning of the period, quantity recovered during the period, quantity used not subject to drawback, quantity in process at the end of the period, and the quantity remaining on hand at the end of the period. Any discrepancy between the amount of recovered distilled spirits on hand at the end of the period as disclosed by actual inventory and the amount shown by the manufacturer's records must be reported in the summary with an explanation of the cause thereof. Distilled spirits recovered from dregs or marc of percolation, or extraction, of products eligible

for drawback may be reused in the manufacture of medicines or flavoring extracts of the kind in which originally used. Such recovered distilled spirits are not eligible for drawback and may be reused only in the manufacture of nonbeverage products. They may not be used in the manufacture of intermediate products.

§ 197.118 *Account of distilled spirits recovered in the manufacture of intermediate products.* Each claim will be accompanied by a summary statement showing in proof gallons the quantity of all recovered distilled spirits on hand at the beginning of the period, quantity in process beginning of the period, quantity recovered during the period, quantity used during the period in the manufacture of nonbeverage products subject to drawback, quantity otherwise used, and the quantity remaining on hand at the end of the period. Any discrepancy between the amount of recovered distilled spirits on hand at the end of the period as disclosed by actual inventory and the amount shown by the manufacturer's records must be reported in the summary with an explanation of the cause thereof. Any distilled spirits recovered from the dregs or marc of percolation, or extraction, of intermediate products as defined in § 197.14 are eligible for drawback of tax only when used in the manufacture of a nonbeverage product.

§ 197.119 *Account of intermediate products.* Each claim will be accompanied by a statement showing the quantity in wine gallons of each intermediate product and the quantity of distilled spirits (proof gallons) used therein on hand at the beginning of the period, produced during the period, and on hand at the end of the period, and showing the quantity in wine gallons of each intermediate product and the quantity of the distilled spirits contained therein (proof gallons) used during the period in eligible products, used during the period in other intermediate products, and otherwise disposed of during the period. Any discrepancy between the amount of intermediate products on hand at the end of the period as disclosed by actual inventory and the amount shown by the manufacturer's records must be reported in the statement with an explanation of the cause thereof. Only the distilled spirits remaining in an intermediate product at the time of its use in the manufacture of an approved nonbeverage product, are eligible for drawback.

ACTION ON CLAIMS

§ 197.120 *Action on quarterly claims.* The Assistant Regional Commissioner will date-stamp the claim and, after recording, will examine the claim for the purpose of determining whether it is properly executed and that all supporting data have been submitted and will conduct such inquiries and investigations as may be necessary to verify that drawback is allowable on the distilled spirits covered by the claim. After completion of such verification he will allow or disallow the claim in accordance with his findings and existing law and regulations.

§ 197.121 *Action on monthly claims.* The Assistant Regional Commissioner will date-stamp the claim and, after recording, will examine the claim for the purpose of determining whether it is properly executed and that all required supporting data have been submitted. Where a bond in the maximum penal sum or, if less than such maximum, in a sufficient penal sum, is on file, the Assistant Regional Commissioner will verify that the amount of drawback claimed is correctly calculated, based on the quantity of distilled spirits stated to have been used by the manufacturer, and, without investigation, allow or disallow the claim (including the final claim for any quarter) in accordance with existing law and regulations. Where the bond on file is not in a sufficient penal sum, action on the claim will be withheld pending completion of an investigation subsequent to the end of the quarterly period. When the final claim for a quarter is received, the Assistant Regional Commissioner will conduct such investigation as may be necessary to verify, as to each claim filed for the quarter, that the drawback allowed, or claimed where bond was insufficient, was proper: *Provided*, That where the total charges outstanding against the manufacturer's bond are less than the penal sum of such bond, the Assistant Regional Commissioner may, at his discretion, conduct such investigation at less frequent intervals. Upon completion of verification the Assistant Regional Commissioner will credit the manufacturer's bond in an amount equal to the drawback on the spirits found to have been lawfully used.

Subpart H—Records

§ 197.130 *Nature of records.* Every person intending to claim drawback on distilled spirits used in the manufacture or production of nonbeverage products must keep a permanent record showing the following data:

- (a) The quantity, proof, and kind of distilled spirits received.
- (b) Name and address of the person from whom the spirits were received.
- (c) Kind of container and serial number thereof, serial number of certificate of tax payment, or wholesale liquor dealer's stamp (if tank car) serial number of taxpaid distilled spirits stamp, or wholesale liquor dealer's stamp (if barrel, drum, can, or case), or serial number of strip stamp (if bottle).
- (d) Date on which received.
- (e) Number of proof gallons and kind of distilled spirits used in the manufacture of each product, and the date of use.

(f) Name of each product in the manufacture of which distilled spirits were used.

(g) Quantity of each product produced and the alcohol content thereof.

(h) Name and address of the purchaser.

(i) Quantity of each product sold to each purchaser.

(j) Date of sale of product to each purchaser.

§ 197.131 *Exception.* The manufacturer need not keep the records required by paragraphs (h), (i), and (j) of § 197.130 where the nonbeverage product

contains less than 3 percent of distilled spirits by volume, nor shall such records be required where nonbeverage products are sold by the producer direct to the consumer in retail quantities. The Assistant Regional Commissioner may at any time require the keeping of such records upon at least 5 days' notice to the taxpayer.

§ 197.132 *Form of record.* No particular form of record is prescribed, but the data required to be shown shall be readily ascertainable from the records kept by the manufacturer. Such records shall be kept complete and current at all times, and shall be retained by the manufacturer on the place covered by the special-tax stamp, and shall be open to inspection by Government officers during regular business hours. Such records shall be retained by the manufacturer for a period of not less than 3 years.

Effect. These regulations shall be effective December 1, 1953.

[SEAL] JUSTIN F. WINKLE,
Acting Commissioner
of Internal Revenue.

Approved: December 17, 1953.

M. B. FOLSOM,
Acting Secretary of the Treasury.

[F. R. Doc. 53-10630; Filed, Dec. 21, 1953;
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TITLE 33—NAVIGATION AND NAVIGABLE WATERS

Chapter II—Corps of Engineers, Department of the Army

PART 207—NAVIGATION REGULATIONS

BISCAYNE BAY, FLORIDA

Pursuant to the provisions of section 7 of the River and Harbor Act of August 8, 1917 (40 Stat. 266; 33 U. S. C. 1) § 207.172 establishing and governing navigation and use of a seaplane restricted area is hereby amended to include an adjacent seaplane operating area in Biscayne Bay, Miami, Florida, as follows:

§ 207.172 *Biscayne Bay, Fla., seaplane restricted and operating areas, Coast Guard Air Station, Miami, Fla.—(a) The seaplane restricted area—(1) The area.* The waters of Biscayne Bay in the vicinity of Dinner Key Channel within an irregular area described as follows: Beginning at the intersection of the easterly extension of the line of the north wall of the Coast Guard hangar and the sheet steel bulkhead; thence 13° 33' along the bulkhead, 160 feet; thence 51° 00' 128 feet; thence 141° 00' 390 feet; thence 74° 02' 257 feet; thence 136° 53' 186 feet; thence 74° 02' 945 feet; thence 151° 49' 1,041 feet; thence 214° 07' 250 feet; thence 124° 08' 2,680 feet; thence 214° 07' 600 feet; thence 304° 08' 2,680 feet; thence 214° 07' 290 feet; thence 304° 08' 1,615 feet, to the sheet steel bulkhead, thence 341° 48' along the bulkhead, 701 feet; and thence 13° 33' along the bulkhead, 166 feet, to the point of beginning.

NOTE: All bearings are referred to true meridian.

(2) *The regulations.* (i) Watercraft shall not anchor or moor within the restricted area. Fishing in the area is prohibited.

(ii) Watercraft shall use the area to the minimum extent practicable, and only for the purpose of passing through as expeditiously as possible. No watercraft shall use the channel from one-half hour after sundown to one-half hour before sunrise except in the case of an emergency involving danger to life or property.

(iii) Watercraft in the area shall give seaplanes the right-of-way at all times. All watercraft shall promptly clear the area when seaplanes are observed approaching the area or when warned by the siren of a crash boat, and shall remain clear of the area while seaplanes are operating in the area.

(iv) The enforcing agency will send out a crash boat or boats to warn watercraft in or near the area of impending operations within the area. Each crash boat will sound a siren to attract the attention of watercraft, and the crew will display a sign reading "Plane Approaching: Clear Channel at Once"

(v) The enforcing agency will post at each end of the area a large sign reading "Danger! Coast Guard Planes Have Right-of-Way in This Channel. Use Channels to South If Practicable. Clear Channel Promptly When Planes Are Observed Approaching Or When Warned By Siren of Crash Boat."

(b) *The seaplane operating area—(1) The area.* Beginning at Dinner Key Seaplane Channel Lighted Buoy 2A marking the entrance to the seaplane restricted area, thence 105° for approximately 4,350 feet to Dinner Key Seaplane Channel Approach Light 2; thence 54° for approximately 9,900 feet to Miami South Channel Entrance Range Front Light; thence 178° for approximately 4,350 feet to Miami South Channel Entrance Range Rear Light; thence 182° for approximately 12,750 feet to Southwest Point Daybeacon 26; thence 270° for approximately 13,500 feet to a position in Biscayne Bay at latitude 25°41'24" longitude 80°13'30" thence 30° for approximately 9,900 feet to Dinner Key Channel Daybeacon 2; thence 313° for approximately 4,920 feet to Dinner Key Seaplane Channel Lighted Buoy 1 marking the southernmost portion of the entrance to the seaplane restricted area, thence 34° for approximately 600 feet to the point of beginning.

NOTE: All bearings are referred to true meridian.

(2) *The regulations.* (i) Watercraft may navigate, anchor, or moor within the operating area. Fishing will be permitted.

(ii) Watercraft utilizing the area during hours from sunset to sunrise, or during periods of low visibility, shall comply strictly with existing regulations of the Rules of the Road applicable to Inland Waters and Motorboat regulations pertaining to required lighting while underway or at anchor.

(iii) Watercraft within the operating area must recognize the fact that the maneuverability of aircraft on the surface is relatively limited as compared to

that of vessels or vehicles specifically designed for surface operations. Therefore, it is essential that occupants of all watercraft shall, when in the seaplane operating area, exercise due vigilance and be alert for the presence of aircraft either taxiing on the surface, or approaching for landings and takeoffs within the area.

(iv) Seaplane landings and takeoffs will be covered by the presence of a station crash boat whenever possible. Under unusual and infrequent circumstances seaplanes may be limited to a particular heading or portion of the operating area, and watercraft in that vicinity may be requested by the crash boat to yield right-of-way to the aircraft for the particular maneuver involved. Under such unusual conditions watercraft shall comply with the request made by the crash boat for the mutual safety of boats and aircraft.

(c) Notices covering the regulations in this section will be posted at the nearby marina and wharves and at boat basins in Miami and adjoining towns.

(d) The regulations in this section shall be enforced by the Commanding Officer, United States Coast Guard Air Station, Miami, Florida, and such agencies as he may designate.

[Regs., Dec. 2, 1953, 800.2121 (Biscayne Bay, Fla.)—ENGWO] (40 Stat. 266; 33 U. S. C. 1)

[SEAL] WM. E. BERGIN,
Major General, U. S. Army,
The Adjutant General.

[F. R. Doc. 53-10579; Filed, Dec. 21, 1953;
8:45 a. m.]

TITLE 46—SHIPPING

Chapter I—Coast Guard, Department of the Treasury

Subchapter B—Merchant Marine Officers and Seamen

[CGFR 53-58]

PART 10—LICENSING OF OFFICERS AND MOTORBOAT OPERATORS AND REGISTRA- TION OF STAFF OFFICERS

SUBPART 10.05—PROFESSIONAL REQUIRE- MENTS FOR DECK OFFICERS' LICENSES (INSPECTED VESSELS)

SUBPART 10.20—MOTORBOAT OPERATORS' LICENSES

EXAMINATION SUBJECTS FOR DECK OFFICERS OF OCEAN OR COASTWISE STEAM OR MOTOR VESSELS AND EXPERIENCE RE- QUIREMENTS FOR APPLICANTS FOR MO- TORBOAT OPERATORS' LICENSES

A notice regarding proposed changes in the regulations regarding licensing of officers and motorboat operators was published in the *FEDERAL REGISTER* dated September 9, 1953, 18 F. R. 5432, as Items IV and V on the agenda to be considered by the Merchant Marine Council, and a public hearing was held by the Merchant Marine Council on September 29, 1953, in Washington, D. C. All comments submitted were considered and were rejected because a change was not considered necessary or the application of the regulation was already described in the regulations.

The amendment to the table 10.05-45 (b) in 46 CFR 10.05-45 (b) describes the examination subjects given to candidates for deck licenses for prospective deck officers of ocean or coastwise steam or motor vessels. This table sets forth the various subjects covered by the various examinations given by the Coast Guard. This amendment is based on Item IV of the agenda.

The amendment to 46 CFR 10.20-3 (a) regarding general requirements of an applicant for a motorboat operator's license is revised to require an applicant to show evidence of satisfactory service of at least one year's experience in the operation of motorboats. This require-

ment is considered necessary in promoting safety of life at sea. This amendment is based on Item V of the agenda.

By virtue of the authority vested in me as Commandant, United States Coast Guard, by Treasury Department Order No. 120, dated July 31, 1950 (15 F. R. 6521) to promulgate regulations in accordance with the statutes cited with the regulations below, the following amendments to the regulations are prescribed which shall become effective on and after thirty days after the date of publication of this document in the FEDERAL REGISTER:

1. Section 10.05-45 (b) is amended by revising table 10.05-45 (b) to read as follows:

TABLE 10.05-45 (b)—SUBJECTS FOR DECK OFFICERS OF OCEAN OR COASTWISE STEAM OR MOTOR VESSELS

| Subjects | Master | | | Chief mate | | Second mate | | Third mate | |
|--|----------|-------------|----------|-------------|-------------|-------------|-----------|------------|-----------|
| | Ocean | Coastwise | Yachts | Ocean | Coastwise | Ocean | Coastwise | Ocean | Coastwise |
| 1. Latitude by Polars..... | X | X | | X | | X | | | |
| 2. Latitude by meridian altitude method..... | X | X | | X | | Sun or star | Sun | Sun | Sun |
| 3. Fix or running fix..... | Any body | Sun or star | Any body | Any body | Sun or star | Sun or star | Sun | Sun | |
| 4. Star identification (any method)..... | X | X | X | X | X | X | X | X | X |
| 5. Chart navigation..... | X | X | X | X | X | X | X | X | X |
| 6. Compass deviation..... | Any body | Sun or star | Sun | Sun or star | Sun or star | Sun or star | X | Sun | X |
| 7. Traverse sailing..... | X | X | X | X | X | X | X | X | X |
| 8. Middle latitude sailing..... | X | X | X | X | X | X | X | X | X |
| 9. Mercator sailing..... | X | X | X | X | X | X | X | X | X |
| 10. Great Circle sailing..... | X | X | X | X | X | X | X | X | X |
| 11. Plotting..... | X | X | X | X | X | X | X | X | X |
| 12. Aids to navigation..... | X | X | X | X | X | X | X | X | X |
| 13. Speed by revolutions..... | X | X | X | X | X | X | X | X | X |
| 14. Fuel conservation..... | X | X | X | X | X | X | X | X | X |
| 15. Instruments and accessories..... | X | X | X | X | X | X | X | X | X |
| 16. Magnetism, deviation and compass compensation..... | X | X | X | X | X | X | X | X | X |
| 17. Chart construction..... | X | X | X | X | X | X | X | X | X |
| 18. Tides and currents..... | X | X | X | X | X | X | X | X | X |
| 19. Ocean winds, weather and currents..... | X | X | X | X | X | X | X | X | X |
| 20. Nautical astronomy and navigation definitions..... | X | X | X | X | X | X | X | X | X |
| 21. International and inland rules of the road..... | X | X | X | X | X | X | X | X | X |
| 22. Signaling by international code flags, flashing light and semaphore; lifesaving, storm and special signals..... | X | X | X | X | X | X | X | X | X |
| 23. Stability and ship construction..... | X | X | X | X | X | X | X | X | X |
| 24. Steamship..... | X | X | X | X | X | X | X | X | X |
| 25. Cargo stowage and handling..... | X | X | X | X | X | X | X | X | X |
| 26. Change in draft due to density..... | X | X | X | X | X | X | X | X | X |
| 27. Determination of area and volume..... | X | X | X | X | X | X | X | X | X |
| 28. Lifesaving apparatus and fire fighting equipment..... | X | X | X | X | X | X | X | X | X |
| 29. Ship sanitation..... | X | X | X | X | X | X | X | X | X |
| 30. Rules and regulations for inspection of merchant vessels..... | X | X | X | X | X | X | X | X | X |
| 31. Laws governing marine inspection..... | X | X | X | X | X | X | X | X | X |
| 32. Ship's business..... | X | X | X | X | X | X | X | X | X |
| 33. Such further examination of a non-mathematical character as the officer in charge, marine inspection, may consider necessary to establish the applicant's proficiency..... | X | X | X | X | X | X | X | X | X |

2. Section 10.20-3 (a) is amended to read as follows:

§ 10.20-3 *General requirements. (a) Any person who has attained the age of 18 years and is qualified in all other respects, shall be considered eligible for a motorboat operator's license and may be examined by the Coast Guard.

(I) An applicant for a license as a motorboat operator shall submit satisfactory documentary evidence of at least one year's experience in the operation of motorboats.

(R. S. 4405, as amended, 4402, as amended, secs. 1, 2, 49 Stat. 1544, as amended, sec. 17, 54 Stat. 166, as amended, sec. 5, 55 Stat. 244, 245, as amended; 46 U. S. C. 375, 416, 367, 526p, 50 U. S. C. App. 1275)

Dated: December 15, 1953.

[SEAL] MERLIN O'NEILL,
Vice Admiral, U. S. Coast Guard,
Commandant.

[F. R. Doc. 53-10569; Filed, Dec. 21, 1953;
8:52 a. m.]

TITLE 44—PUBLIC PROPERTY AND WORKS

Chapter I—General Services Administration

Subchapter C—Real Property Management

PART 100—PUBLIC BUILDINGS AND GROUNDS

These rules and regulations are promulgated pursuant to Public Law No. 566, 80th Congress, approved June 1, 1943 (40 U. S. C. Sec. 318) and the Federal Property and Administrative Services Act of 1949 (63 Stat. 377), as amended.

AUTHORITY: §§ 100.1 to 100.12 issued under sec. 2, 62 Stat. 231, as amended; 40 U. S. C. 318a.

§ 100.1 *Applicability.* The rules and regulations in this part shall apply to all Federal property under the charge and control of General Services Administration and to all persons entering in or on such property. Unless otherwise stated in this part Federal property under the charge and control of the General Services Administration is referred to as "property".

§ 100.2 *Recording presence.* When requested, persons entering or leaving buildings during periods when such buildings are closed to the public shall sign the building register and/or display authorized identification document.

§ 100.3 *Preservation of property.* The injury, abuse, or damage, in any way whatsoever, to any property or part thereof, including signs, regulations, decorations or other facility or equipment, or to any tree, or other plant life is prohibited.

§ 100.4 *Conformity with signs and emergency directions.* Persons in and on property shall comply with "No Smoking" and other official signs of a prohibitory nature, and at the time of a fire alarm or other emergency signal shall comply with the directions of building police and other authorized individuals.

§ 100.5 *Nuisances.* The use of loud, abusive, or otherwise improper language, unwarranted loitering, sleeping or assembly, the creation of any hazard to persons or things, improper disposal of rubbish, spitting, prurient prying, the commission of any obscene or indecent act, or any other unseemly or disorderly conduct on property, and throwing articles of all kinds from buildings and climbing upon any part of buildings, is prohibited.

§ 100.6 *Gambling.* Participating in games for money or property, or the operation of gambling devices, the conduct of a lottery or pool, or the selling or purchasing of numbers tickets is prohibited.

§ 100.7 *Intoxicating beverages and narcotics.* Entering property or the operating of a motor vehicle thereon, by a person under the influence of intoxicating beverages or narcotic drug, or the consumption of such beverages or the use

of such drugs in or on property is prohibited.

§ 100.8 *Soliciting and vending.* The soliciting of alms and contributions, commercial soliciting and vending of all kinds, the display or distribution of commercial advertising, or the collecting of private debts, in or on property, is prohibited unless prior permission is obtained.

§ 100.9 *Photography.* Taking photographs for commercial or publication purposes within property is prohibited unless prior permission is obtained.

§ 100.10 *Dogs and other animals.* Bringing a dog (except a seeing-eye dog) or other animal upon property is prohibited, unless prior permission is obtained.

§ 100.11 *Vehicular and pedestrian traffic.* (a) Drivers of all vehicles in or on property shall drive in a careful and safe manner at all times and shall comply with the signals and directions of police officers and all posted traffic signs; (b) the blocking of entrances, driveways, walks, loading platforms or fire hydrants in or on property is prohibited; (c) except in emergencies, parking in or on property is not allowed without a permit. Parking without authority, parking in unauthorized locations or in locations reserved for other persons or continuously in excess of 18 hours without permission, or contrary to the direction of posted signs is prohibited. This section may be supplemented from time to time by the issuance and posting of specific traffic directives as may be required and when so issued and posted such directives shall have the same force and effect as if made a part hereof.

§ 100.12 *Penalties; other laws.* Whoever shall be found guilty of violating the rules and regulations in this part shall be fined not more than \$50.00 or imprisoned not more than 30 days, or both. Nothing contained in these rules and regulations shall be construed to abrogate any other Federal laws or regulations, or any State and local laws and regulations, applicable to an area in which property is situated.

Approved: December 1, 1953.

EDMUND F. MANSURE,
Administrator of General Services.
[F. R. Doc. 53-10679; Filed, Dec. 21, 1953;
2:31 p. m.]

TITLE 50—WILDLIFE

Chapter I—Fish and Wildlife Service, Department of the Interior

Subchapter C—Management of Wildlife Conservation Areas

REVOCATION OF REGULATIONS

Basis and purpose. Public hunting and fishing on certain national wildlife refuges having been authorized by administrative action pursuant to §§ 18.11 and 18.12 of this subchapter, the following existing regulations no longer are required and are hereby revoked effective upon publication of this document in the FEDERAL REGISTER:

PART 31—PACIFIC REGION

SUBPART—COLD SPRINGS NATIONAL WILDLIFE REFUGE, OREGON

FISHING

- § 31.51 *Fishing permitted* (4 F. R. 4436).
- § 31.52 *Waters open to fishing* (4 F. R. 4436).
- § 31.53 *State fishing laws* (4 F. R. 4436).
- § 31.54 *Fishing permits* (4 F. R. 4436).
- § 31.55 *Routes of travel* (4 F. R. 4436).
- § 31.56 *Use of motorboats prohibited* (4 F. R. 4436).

SUBPART—MALHEUR NATIONAL WILDLIFE REFUGE, OREGON

HUNTING

- § 31.207 *Hunting permitted* (13 F. R. 6287).
- § 31.208 *Area open to hunting* (13 F. R. 6287).
- § 31.209 *Entry* (13 F. R. 6287).
- § 31.210 *Permits* (13 F. R. 6287).
- § 31.211 *Dogs* (13 F. R. 6287).
- § 31.212 *Boats* (13 F. R. 6287).
- § 31.213 *State cooperation* (13 F. R. 6287).

PART 32—SOUTHWESTERN REGION

SUBPART—SAN ANDRES NATIONAL WILDLIFE REFUGE, NEW MEXICO

DEER HUNTING

- § 32.151 *Deer hunting permitted* (7 F. R. 6407).

- § 32.152 *Joint survey* (7 F. R. 6407).
- § 32.153 *Area open to hunting* (7 F. R. 6407).
- § 32.154 *State laws and regulations* (7 F. R. 6407).
- § 32.155 *Disorderly conduct; intoxication* (7 F. R. 6407).
- § 32.156 *Entry upon refuge; civil liability* (7 F. R. 6407).
- § 32.157 *Limitation on firearms and bullets* (7 F. R. 6407).
- § 32.158 *Penalties* (7 F. R. 6407).
- § 32.159 *State cooperation in management of the shooting area* (7 F. R. 6407).

PART 33—CENTRAL REGION

SUBPART—VALENTINE NATIONAL WILDLIFE REFUGE, NEBRASKA

FISHING

- § 33.341 *Fishing permitted* (15 F. R. 1843).
- § 33.342 *Entry upon refuge* (12 F. R. 5396).
- § 33.343 *State fishing laws* (12 F. R. 5396).
- § 33.344 *Use of boats* (12 F. R. 5396).
- § 33.345 *Temporary restrictions* (12 F. R. 5396).
- § 33.346 *State cooperation* (12 F. R. 5396).

PART 34—SOUTHEASTERN REGION

SUBPART—ST. MARKS NATIONAL WILDLIFE REFUGE, FLORIDA

FISHING

- § 34.181 *Fishing permitted* (11 F. R. 6341).
- § 34.182 *Entry* (11 F. R. 6341).
- § 34.183 *State fishing laws* (11 F. R. 6341).
- § 34.184 *Use of boats* (11 F. R. 6341).
- § 34.185 *Temporary restrictions* (11 F. R. 6341).

PART 35—NORTHEASTERN REGION

SUBPART—BRIGANTINE NATIONAL WILDLIFE REFUGE, NEW JERSEY

HUNTING

- § 35.21 *Hunting permitted* (17 F. R. 8123).
 - § 35.22 *Public shooting area* (17 F. R. 8123).
 - § 35.23 *Entry* (17 F. R. 8123).
 - § 35.24 *Hunting licenses and permits* (17 F. R. 8123).
 - § 35.25 *Dogs* (17 F. R. 8123).
 - § 35.26 *State cooperation* (17 F. R. 8123).
- (Sec. 10, 45 Stat. 1224; 16 U. S. C. 7151)

Dated: December 15, 1953.

O. H. JOHNSON,
Acting Director

[F. R. Doc. 53-10582; Filed, Dec. 21, 1953;
8:46 a. m.]

PROPOSED RULE MAKING

CIVIL AERONAUTICS BOARD Office of Carrier Accounts and Statistics

[14 CFR Part 241]

[Economic Regs. Draft Release No. 67]

FILED OF REPORTS BY CERTIFICATED AIR CARRIERS AND UNIFORM ACCOUNTING RE- QUIREMENTS

NOTICE OF PROPOSED RULE-MAKING

DECEMBER 17, 1953.

Pursuant to authority delegated by the Civil Aeronautics Board to the Office of Carrier Accounts and Statistics notice is

hereby given that the Office has under consideration an amendment to Part 241 of the Economic Regulations (14 CFR Part 241) for the purpose of modifying the present reporting requirements for certificated air carriers.

The objective is to terminate the requirement for detailed reporting of domestic coach service on Schedule C-2, "Coach, Tourist, and Low Fare Off-Peak Services" after December 1953. With discontinuance of the detailed report, however, it is proposed that an additional sheet of Schedule C-1, containing overall flight and traffic data on a monthly basis for the domestic coach services would be required beginning with Jan-

uary 1954. It is intended to continue the special report on Schedule C-2 for international tourist services since the development and accumulated experience with the international low fare services generally are not as great as with the domestic coach services so that there is a continuing need for the more detailed information. It is also planned to effect changes in the accounting and reporting instructions related to (1) the filing period for the Interim Financial and Operating Report (2) the number of copies of Schedule C-1 to be filed and (3) accounting for estimated liability arising out of pending wage and salary negotiations. These changes are all pro-

posed to be effective with reports for January 1954.

The changes proposed by the Office of Carrier Accounts and Statistics are as follows:

1. By deleting the following sentence from § 241.2110: "Accruals for estimated liability arising out of pending wage and salary negotiations shall not be included in this account but in account 2340, 'Other Deferred Credits'"

2. By deleting the following sentence from § 241.2340 (b) "Estimated liability arising out of pending wage and salary negotiations shall be included in this account if the carrier elects to reflect this item in its accounts"

3. By changing from "2" to "3" the number of copies of Schedule C-1 to be filed as specified under the list of Schedules contained in Instruction No. 3 of § 241.7-1.

4. By changing the title "C-2 Coach, Tourist and Low Fare Off-Peak Services" under the list of Schedules contained in Instruction No. 3 of § 241.7-1 to read: "C-2 Coach and Tourist Services"

5. By amending Instruction No. 8 of § 241.7-1 to read:

8. Where the reporting carrier operates separate and distinct air transport divisions, regardless of whether conducted under certificates of public convenience and necessity issued by the Civil Aeronautics Board or on a nonscheduled basis, for which it maintains separate records and books of account, and where the reporting carrier conducts both domestic and international operations, the carrier shall file separate Schedules B, B-1 through B-10, C, and C-1 for each such division and operation. Where the carrier conducts international operations it shall also file Schedule C-2 for the international operation or for each separate division performing international operations. Separate filing of additional schedules may be required or exemptions, in full or in part, from the above separate filing may be granted by the Civil Aeronautics Board after examination of the Board's needs in this respect. Where separate reports are submitted in accordance with the above, an additional Schedule B shall be filed showing the profit and loss for the "System". At the option of the carrier additional Schedules C and C-1 may be filed for the "System" presenting data covering "All Services" only.

6. By changing the number of days for filing the Interim Financial and Operating Report from "30" to "40" under "Postmarked within the following number of days" in Instruction No. 10 of § 241.7-1.

7. By adding after the present language of Schedule B-1 of § 241.7-2 an additional paragraph reading:

Passenger revenue: There shall be reported on this schedule the amount of passenger revenue applicable to "Coach and Tourist Service" (as identified for separate reporting on Schedules C and C-1), except that for each operation for which a report is made on Schedule C-2, "Coach and Tourist Services" the reporting of coach and tourist passenger revenue on this schedule is not required. The amount of coach and tourist revenue reported on this schedule may be estimated provided that this fact is indicated on each report.

8. By adding after the first paragraph of the present language of Schedule C-1 Monthly Flight and Traffic Statistics of § 241.7-2 an additional paragraph reading:

In addition, for each operation in which coach and tourist service is performed but not reported on Schedule C-2 "Coach and Tourist Services" an additional page of this schedule shall be filed covering the coach and tourist service. Items 8 through 28 shall be completed on this page of the schedule. Item 8 need be completed in total only on this page, no breakdown being required by type of aircraft. Item 11, number of revenue passengers carried, shall be an unduplicated count of revenue passengers carried in the coach and tourist service, including coach and tourist passengers part of whose trip was at regular fare. Transfer, lay-over, and reduced-fare passengers shall be included or excluded in the same manner as prescribed for line 11 under "Item, Definitions and Instructions"

9. By amending the present second paragraph under Schedule C-1, Monthly Flight and Traffic Statistics of § 241.7-2 to read:

In those instances where a carrier performs only scheduled service, the flight and traffic statistics for all services and scheduled service may be reported on a single sheet of this schedule. The words "Total Scheduled" should be inserted in the heading opposite "Service" with a footnote indicating that the statistics are also "Total—All Services"

10. By amending the first sentence of the item beginning "Line 11, Number of revenue passengers carried," of § 241.7-2 to read: "This item shall be reported only on those pages of Schedule C and C-1 covering 'All Services', 'Total Scheduled Services' and 'Total Nonscheduled Services' and on the page of Schedule C-1 covering 'Coach and Tourist Service'"

11. By changing the heading of Schedule C-2, Coach, Tourist and Low Fare Off-Peak Services, of § 241.7-2 to read: "Schedule C-2, Coach and Tourist Services"

12. By amending the first paragraph of Schedule C-2 of § 241.7-2 to read:

This schedule is designed for reporting data covering international coach and tourist services and similar differential fare services which are conducted separately from other services and need be submitted only for operations having such tourist and differential fare services. This schedule is not to be used for reporting other reduced fare traffic such as seasonal and excursion fare traffic which is carried in regular services. A report is to be made on this schedule for each calendar month.

13. By striking the second paragraph of Schedule C-2 of § 241.7-2.

14. By amending the present fifth and sixth paragraphs of Schedule C-2 of § 241.7-2 to read:

Columns (5) through (8)—Distribution by Flights: Insert flight numbers in column headings. Use one column for all coach and tourist flights scheduled to serve the same "terminal points" in both directions. Include data applicable to extra section flights in the same column used for the scheduled flights to which related.

Lines 11 through 20—Revenue Passenger Miles: For any passengers carried on flights covered by this report at other than coach and tourist fares (when such other fares are applicable to traffic on the flight) give in a footnote or attached statement the revenue passenger miles identifying also the class of fare and points between which carried.

This amendment is proposed under the authority of sections 205 (a) and 407 of the Civil Aeronautics Act, as amended, (52 Stat. 984, 1000; 49 U. S. C. 425, 487)

Interested persons may participate in the proposed rule-making through the submission of written data, views or arguments pertaining thereto, in triplicate, addressed to the Secretary, Civil Aeronautics Board, Washington 25, D. C. All relevant matter in communications received on or before January 18, 1954, will be considered by the Office before taking final action on the proposed rule.

By the Office of Carrier Accounts and Statistics.

[SEAL]

WARNER H. HORD,
Chief, Office of Carrier
Accounts and Statistics.

[F. R. Doc. 53-10593; Filed, Dec. 21, 1953; 8:50 a. m.]

NOTICES

DEPARTMENT OF THE INTERIOR

Office of the Secretary

STANDING ROCK SIOUX TRIBE

FEDERAL INDIAN LIQUOR LAWS

Pursuant to the act of August 15, 1953 (Pub. Law 277, 83d Cong., 1st Sess.), I certify that the following ordinance relating to the application of the Federal Indian liquor laws on the Standing Rock

No. 248—3

Sioux Indian Reservation was duly adopted by the Standing Rock Sioux Tribe which has jurisdiction over the area of Indian country included in the resolution:

Whereas Public Law 277, 83d Congress, approved August 15, 1953, provides that sections 1154, 1156, 3113, 3488 and 3618 of title 18, United States Code, commonly referred to as the Federal Indian liquor laws, shall not apply to any act or transaction within any area of Indian country provided such act or

transaction is in conformity with both the laws of the State in which such act or transaction occurs and with an ordinance duly adopted by the tribe having jurisdiction over such area of Indian country, certified by the Secretary of the Interior, and published in the FEDERAL REGISTER.

Therefore, be it resolved that the introduction, sale or possession of intoxicating beverages shall be lawful within the Indian country under the jurisdiction of the Standing Rock Sioux Indian Reservation: *Provided*, That such introduction, sale or pos-

session is in conformity with the laws of the respective states of North and South Dakota. Be it further resolved that any tribal laws, resolutions or ordinances heretofore enacted which prohibit the sale, introduction or possession of intoxicating beverages are hereby repealed.

ORME LEWIS,
Assistant Secretary of the Interior.

DECEMBER 16, 1953.

[F. R. Doc. 53-10583; Filed, Dec. 21, 1953;
8:47 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 70-3161]

NEW ENGLAND GAS AND ELECTRIC ASSN.
AND ALGONQUIN GAS TRANSMISSION
Co.

NOTICE REGARDING PROPOSED ISSUE AND SALE
OF NOTES BY SUBSIDIARY AND ACQUISITION
THEREOF BY PARENT AND BORROWING FROM
BANKS BY SUBSIDIARY AND PARENT

DECEMBER 15, 1953.

Notice is hereby given that a joint application-declaration and amendments thereto have been filed with this Commission by New England Gas and Electric Association ("Negas") a registered holding company, and its nonutility subsidiary, Algonquin Gas Transmission Company ("Algonquin") designating sections 6 (a) 7, 9 (a) and 12 (f) of the Public Utility Holding Company Act of 1935 ("act") and Rules U-23, U-43, and U-50 thereunder, as applicable to the proposed transactions which are summarized as follows:

Algonquin proposes to incur a bank loan of \$2,000,000, at 4½ percent per annum, to be evidenced by an unsecured note maturing in 16 equal quarterly payments commencing January 1, 1955. Algonquin also proposes to issue and sell \$5,150,000 principal amount of 25-year unsecured notes at the principal amount thereof to three of its stockholders who own in the aggregate 99.3 percent of Algonquin's common stock. Such notes are to be issuable in denominations of not less than \$500,000 and will be dated December 30, 1953, will be due December 30, 1978, and will bear cumulative interest at the rate of 6 percent per annum for the first five years and at the rate of 5 percent per annum thereafter, payable only if earned in accordance with the definition of that term contained in an agreement among Algonquin and its bondholders. The proposed 25-year notes are to be subordinate to all bonds and other notes of Algonquin and will be exchangeable for debentures bearing the same terms and conditions.

Algonquin's said stockholders have agreed, subject to necessary regulatory approval, to subscribe to the proposed 25-year notes as follows:

| | |
|---|------------------|
| Eastern Gas & Fuel Associates... | \$1,910,650 |
| New England Gas & Electric Association..... | 1,787,050 |
| Texas Eastern Transmission Corp..... | 1,452,300 |
| Total..... | 5,150,000 |

In connection with this financing, Algonquin has entered into an agreement with its bond holders regarding the proposed amendment of the sinking fund requirements under Algonquin's First Mortgage and Deed of Trust dated as of March 1, 1951, so as to defer the commencement of regular sinking fund payments from July 1, 1954, to July 1, 1955, and to eliminate the provision for a contingent sinking fund of \$3,000,000.

Algonquin states that it must raise funds on or before December 30, 1953, to provide adequate working capital, to retire its short-term bank loans and to raise funds to pay certain claims assigned to Texas Eastern Transmission Corporation and various other claims incurred in connection with the completion of its pipe line system. Such required funds are estimated to aggregate about \$7,150,000.

Negas proposes to finance its investment of \$1,787,050 in the proposed 25-year notes of Algonquin by borrowing \$1,500,000 from banks, to be evidenced by notes maturing October 21, 1955, and by using treasury funds for the balance. The interest rate on such notes has not yet been determined. According to Negas it is expected that its presently outstanding bank indebtedness due October 21, 1955, and aggregating \$2,000,000, and the proposed additional loan of \$1,500,000 will be retired at or prior to maturity from the proceeds of an offering or offerings of its common shares.

Negas and Algonquin request that the Commission's order herein be entered as soon as possible and become effective upon issuance.

Negas and Algonquin represent that no State or Federal Commission, other than this Commission, has jurisdiction over the proposed transactions.

Notice is further given that any interested person may, not later than December 28, 1953, at 1:00 p. m., e. s. t., request in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request, and the issues of fact or law, if any, raised by said joint amended application-declaration which he desires to controvert; or he may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, 425 Second Street NW., Washington 25, D. C. At any time after said date said joint application-declaration, as filed or as further amended, may be granted and permitted to become effective as provided in Rule U-23 of the rules and regulations promulgated under the act, or the Commission may exempt such transactions as provided in Rule U-20 (a) and Rules U-100 thereof.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 53-10588; Filed, Dec. 21, 1953;
8:48 a. m.]

FEDERAL POWER COMMISSION

[Docket No. E-6499]

DELAWARE POWER & LIGHT CO. ET AL.

NOTICE OF ORDER TERMINATING PROCEEDINGS

DECEMBER 16, 1953.

In the matter of Delaware Power & Light Company, The Eastern Shore Public Service Company of Maryland, Eastern Shore Public Service Company of Virginia, Docket No. E-6499.

Notice is hereby given that on December 14, 1953, the Federal Power Commission issued its order adopted December 9, 1953, terminating proceedings in the above-entitled matter.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 53-10584; Filed, Dec. 21, 1953;
8:47 a. m.]

[Docket Nos. G-1473, G-1649, G-1693, G-1727,
G-1737]

TEXAS EASTERN TRANSMISSION CORP. ET AL.

NOTICE OF ORDER FURTHER AMENDING ORDER
ISSUING CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

DECEMBER 16, 1953.

In the matters of Texas Eastern Transmission Corporation, Docket No. G-1693; Alabama-Tennessee Natural Gas Company, Docket No. G-1473; Tennessee Gas Company, Docket No. G-1649; Shippensburg Gas Company, Docket No. G-1727; Consumers Gas Company, Docket No. G-1737.

Notice is hereby given that on December 14, 1953, the Federal Power Commission issued its order adopted December 9, 1953, in the above-entitled matters, further amending order accompanying Opinion No. 231 of July 3, 1952 (17 F. R. 6287) issuing certificate of public convenience and necessity to Texas Eastern Transmission Corporation, Docket No. G-1693, by extending to May 1, 1954, the period of reservation of gas for the City of Oran, Missouri.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 53-10585; Filed, Dec. 21, 1953;
8:47 a. m.]

[Docket No. G-1697]

NATURAL GAS PIPELINE CO. OF AMERICA

NOTICE OF ORDER MODIFYING AND AFFIRMING
AS MODIFIED INITIAL DECISION

DECEMBER 16, 1953.

Notice is hereby given that on December 14, 1953, the Federal Power Commission issued its order adopted December 9, 1953, modifying and affirming as modified initial decision of the Presiding Examiner in the above-entitled matter.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 53-10586; Filed, Dec. 21, 1953;
8:47 a. m.]

[Docket Nos. G-2241, G-2293]

TEXAS GAS TRANSMISSION CORP., AND
ALGONQUIN GAS TRANSMISSION CO.

NOTICE OF FINDINGS AND ORDERS

DECEMBER 16, 1953.

In the matters of Texas Gas Transmission Corp., Docket No. G-2241, Algonquin Gas Transmission Co., Docket No. G-2293.

Notice is hereby given that on December 14, 1953, the Federal Power Commission issued its orders adopted December 9, 1953, issuing certificates of public convenience and necessity in the above-entitled matters.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 53-10587; Filed, Dec. 21, 1953;
8:47 a. m.]

SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster Area 10]

NEW HAMPSHIRE

DECLARATION OF DISASTER AREA

Whereas, it has been reported that on or about November 7 and November 8, 1953, because of the combined disastrous effect of a gale, snow, and the tides, damage resulted to residences and business property located in certain coastal areas in the State of New Hampshire; and

Whereas, the Small Business Administration has investigated and has received other reports of investigations of conditions in the areas affected; and

Whereas, after reading and evaluating reports of such conditions, I find that the conditions in such areas constitute a catastrophe within the purview of the Small Business Act of 1953;

Now, therefore, as Acting Administrator of the Small Business Administration, I hereby determine that:

1. Applications for disaster loans under the provisions of section 207 (b) of the Small Business Act of 1953 may be received and considered by the SBA Regional Office below indicated from persons or firms where property situated in the coastal areas of the following county (hereinafter referred to as "the disaster area") suffered damage or other destruction as a result of the catastrophe above referred to:

County of Rockingham: Small Business Administration Regional Office, 40 Broad Street, Boston, Mass.

2. Special field offices will not be established to receive and process such applications.

3. No disaster loan application from any resident or firm situated in the disaster area will be accepted under the authority of this order subsequent to June 30, 1954.

Dated: December 17, 1953.

WENDELL B. BARNES,
Acting Administrator.

[F. R. Doc. 53-10595; Filed, Dec. 21, 1953;
8:49 a. m.]

[Declaration of Disaster Area 11]

MAINE

DECLARATION OF DISASTER AREA

Whereas, it has been reported that on or about November 6 and November 7, 1953, because of the combined disastrous effect of a gale, snow and the tides, damage resulted to residences and business property located in certain coastal areas in the State of Maine; and

Whereas, the Small Business Administration has investigated and has received other reports of investigations of conditions in the areas affected; and

Whereas, after reading and evaluating reports of such conditions, I find that the conditions in such areas constitute a catastrophe within the purview of the Small Business Act of 1953;

Now, therefore, as Acting Administrator of the Small Business Administration, I hereby determine that

1. Applications for disaster loans under the provisions of section 207 (b) of the Small Business Act of 1953 may be received and considered by the SBA Regional Office below indicated from persons or firms where property situated in the coastal areas of the following counties (hereinafter referred to as "the disaster areas") suffered damage or other destruction as a result of the catastrophe above referred to:

Counties of York, Cumberland, Sagadahoc: Small Business Administration Regional Office, 40 Broad Street, Boston, Mass.

2. Special field offices will not be established to receive and process such applications.

3. No disaster loan application from any resident or firm situated in the disaster areas will be accepted under the authority of this order subsequent to June 30, 1954.

Dated: December 17, 1953.

WENDELL B. BARNES,
Acting Administrator.

[F. R. Doc. 53-10597; Filed, Dec. 21, 1953;
8:50 a. m.]

INTERSTATE COMMERCE COMMISSION

[4th Sec. Application 28753]

PAPER BOXES FROM NEWTON, N. C., TO
OFFICIAL AND ILLINOIS TERRITORIES

APPLICATION FOR RELIEF

DECEMBER 17, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: R. E. Boyle, Jr., Agent, for carriers parties to schedule listed below.
Commodities involved: Paper boxes, carloads.

From: Newton, N. C.

To: Points in official and Illinois territories.

Grounds for relief: Rail competition, circuitry, to apply rates constructed on the

basis of the short line distance formula, and additional origin.

Schedules filed containing proposed rates: C. A. Spaninger, Agent, I. C. C. No. 1349, supp. 29.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,
Secretary.

[F. R. Doc. 53-10590; Filed, Dec. 21, 1953;
8:48 a. m.]

[4th Sec. Application 28754]

VERMICULITE, BROKEN, CRUSHED OR
GROUND, BETWEEN POINTS IN SOUTHERN
TERRITORY

APPLICATION FOR RELIEF

DECEMBER 17, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: R. E. Boyle, Jr., Agent, for carriers parties to schedule listed below.
Commodities involved: Vermiculite, broken, crushed or ground, carloads.

Between: Points in southern territory including adjacent points in Virginia.

Grounds for relief: Rail competition, circuitry, and to apply rates constructed on the basis of the short line distance formula.

Schedules filed containing proposed rates: C. A. Spaninger, Agent, I. C. C. No. 1315, supp. 37.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hear-

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ing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,
Secretary.

[F. R. Doc. 53-10591; Filed, Dec. 21, 1953;
8:48 a. m.]

[4th Sec. Application 28755]

LIVESTOCK FROM ST. LOUIS AND EAST ST.
LOUIS, TO THE SOUTH

APPLICATION FOR RELIEF

DECEMBER 17, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by R. E. Boyle, Jr., Agent, for carriers parties to schedule listed below. Commodities involved: Livestock, carloads.

From: St. Louis, Mo., East St. Louis, Ill., and certain intermediate points in Illinois and Indiana.

To: Points in southern territory.

Grounds for relief: Rail competition, circuitry, to maintain grouping, and to apply rates constructed on the basis of the short line distance formula.

Schedules filed containing proposed rates: C. A. Spaninger, Agent, I. C. C. No. 1087, supp. 58.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,
Secretary.

[F. R. Doc. 53-10592; Filed, Dec. 21, 1953;
8:49 a. m.]

[4th Sec. Application 28756]

GRAIN FROM SOUTHERN POINTS TO MOBILE,
ALA., AND NEW ORLEANS, LA., FOR EXPORT

APPLICATION FOR RELIEF

DECEMBER 17, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by R. E. Boyle, Jr., Agent, for carriers parties to schedule listed below.

Commodities involved: Barley corn, oats, rye, soybeans and wheat, in bulk, carloads.

From: Specified points in southern territory.

To: Mobile, Ala., and New Orleans, La., for export.

Grounds for relief: Rail competition, circuitry, competition with motor carriers, and to maintain grouping.

Schedules filed containing proposed rates: C. A. Spaninger, Agent, I. C. C. No. 1325, supp. 25.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,
Secretary.

[F. R. Doc. 53-10593; Filed, Dec. 21, 1953;
8:49 a. m.]

[4th Sec. Application 28757]

NEWSPRINT PAPER FROM VIRGINIA, SOUTH
ATLANTIC AND GULF PORTS AND OTHER
POINTS TAKING SAME RATES TO MOULTRIE,
GA.

APPLICATION FOR RELIEF

DECEMBER 17, 1953.

The Commission is in receipt of the above-entitled and numbered applica-

tion for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by R. E. Boyle, Jr., Agent, for carriers parties to schedule listed below. Commodities involved: Newsprint paper, carload.

From: Virginia, south Atlantic and Gulf ports and points taking same rates (import traffic)

To: Moultrie, Ga.

Grounds for relief: Rail competition, circuitry, to maintain grouping, and to maintain port rate relations and additional destination.

Schedules filed containing proposed rates: C. A. Spaninger, Agent, I. C. C. No. 1369, supp. 24.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,
Secretary.

[F. R. Doc. 53-10594; Filed, Dec. 21, 1953;
8:49 a. m.]

BUREAU OF ACCOUNTS, COST FINDING AND
VALUATION

CONSOLIDATION OF BUREAU OF ACCOUNTS
AND COST FINDING AND BUREAU OF VALUA-
TION

DECEMBER 17, 1953.

The Interstate Commerce Commission announces the consolidation of its Bureau of Accounts and Cost Finding, and its Bureau of Valuation, effective January 1, 1954.

The name of the new Bureau will be Bureau of Accounts, Cost Finding and Valuation.

[SEAL] GEORGE W. LAIRD,
Secretary.

[F. R. Doc. 53-10589; Filed, Dec. 21, 1953;
8:48 a. m.]